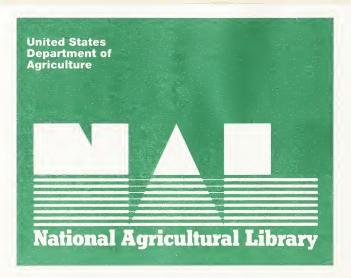
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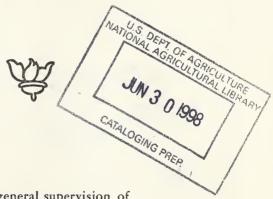


# FIELD ADMINISTRATION of WARTIME RATIONING



# Field Administration of Wartime Rationing

by \_ Emmette S. Redford



Under the general supervision of HARVEY C. MANSFIELD Chief, Policy Analysis Branch

OFFICE OF TEMPORARY CONTROLS
Office of Price Administration

# Historical Reports on War Administration Office of Price Administration

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#### LETTER OF TRANSMITTAL

May 1, 1947.

Hon. MAX McCullough,

Commissioner, Officer of Price Administration,

 ${\it Office of Temporary Controls.}$ 

My Dear Mr. McCullough: I hand you herewith a volume entitled "Field Administration of Wartime Rationing," prepared by Emmette S. Redford. It is one of the narrative and analytical studies in the OPA series of Historical Reports on War Administration. As such, it is a part of the agency's share in the comprehensive program of studies of the experience of the civilian administrative agencies brought into being by the war, which was initiated by President Franklin D. Roosevelt in 1942 and confirmed in July 1945 by President Harry S. Truman. The general scope and purpose of this program is set forth in the preface to The United States at War, recently published by the Bureau of the Budget.

The present volume reviews OPA's experience in the greatest physical and administrative task the agency undertook. By any measure, except the Government's outlay of money for it, the dimensions of the effort involved in the administration of wartime rationing were colossal. Hundreds of thousands of men and women were enlisted in it, either as volunteers or as paid employees. A network of field offices reaching out to some 5,600 local boards covering every community in the Nation was built and run to manage the distribution of the supply of rationed commodities, in the interests of conservation for essential use and of the principle of equality among consumers in sharing scarce stocks. Every family in the land was registered in the process of doling out ration books to 130,000,000 individuals. In a single fiscal year some 40 million pounds of paper were consumed in the printing and distribution of nearly 5 billion copies of applications, forms, coupons, instructions, and the like, to facilitate the operations.

The tempo of action and change in the programs to be carried out was terrific also. The original local boards were appointed and set to work in two weeks, after the sale of tires had already been frozen. The decision to ration fuel oil was reached late in August 1942, with the heating season a month or six weeks away, and everything to be done in the meantime from getting out the ration order in Washington to calculating the floor space and issuing coupons

for each householder who had an oil burner or a kerosene stove. The food rationing staff, which was largely disbanded in 1944 in the fond expectation that the war and its food shortages would be over by the end of that year, was instead hastily reassembled and driven in high gear when foods were returned to the rationed list at Christmas time and previous policies were suddenly reversed after the crises in supply had arrived. The pace did not permit of matured plans and controlled experiments; it put a premium on improvisation and initiative; it took its toll in long hours of thankless labor.

The administrative problem was to make the system tick. This was basically a matter of organization and logistics, to build and train a staff, to prepare materials and instructions, and to put the two together at the times and places needed, all to a common end which the staff and the public alike had to be made to comprehend. But more was involved than administration in the narrow sense. For the operation was conducted in a goldfish bowl, so to speak, for all to see. Policies and methods were exposed to view in limited or distorted perspective, but exposed. In the beginning there were no experts and when expertise was painfully gained the lessons were naturally slow to be learned. Free comment on every phase, from within and without the agency, was the rule at every stage. Field administration was carried on therefore, in a context of public discussion, sometimes friendly, sometimes unfriendly, sometimes bewildered. Alongside it a public information campaign and an enforcement campaign were separately run, and these in turn brought their characteristic complications. This study is of interest accordingly to students of governmental organization and public administration; it adds substantially to the slim collection of studies of field services in the Federal Government; it analyses the role of the States in the early stages of rationing; and it gives renewed evidence of the latent capacities of a free people for self-organization to meet national emergency needs.

The plan of procedure in the preparation and publication of this volume follows the same lines approved at the time the first of our substantive publications, The Beginnings of OPA, was undertaken. The author's name on the title page indicates that he has been given both freedom and responsibility for the development of his material. He has had full access to file materials in the agency so far as physical limitations permitted their use, and has had the benefit of consultation and advice from many official and unofficial sources; but the statements of fact and of interpretation are his. It would indeed be physically impossible for the agency at this stage to guarantee, by an independent checking, the complete factual accuracy of the

text; and it would be both impossible and undesirable for it to attempt here to impose an official view in the evaluation of its many past activities. The author is personally responsible on both counts. His manuscript has therefore been reviewed by the Policy Analysis Committee, consisting of yourself, Joseph A. Kershaw, Carl A. Auerbach, Ervin H. Pollack, Donald H. Wallace, and myself, only to make sure that statutory requirements relating to the disclosure of confidential information have been observed, and to safeguard appropriate standards of scholarship and objectivity. The decision on publication rested with this committee, so far as the agency was concerned.

Sincerely yours,

Harvey C. Mansfield, Chief, Policy Analysis Branch.



#### AUTHOR'S PREFACE

This is a report, a case study, an analysis of administrative behavior. It is not, however, merely a historical record or a description of operation; it aims at evaluation also. By the same token it sticks close to the data analyzed. The comparative and theoretical approaches, however attractive, are, on the whole, avoided. The desire is to remain within the framework of experience or move upward to conclusions inductively from that experience.

The story of wartime rationing could be told in various ways. It could be told in terms of human experiences and typical or striking events. It could be told chronologically. However, the author is neither journalist nor historian; he is a student of public administration and as such cannot avoid analysis by topic or problem.

A condensed account must leave many details untold. Field operations in rationing were so complex and diversified, and were carried on at so many points, that this volume can only record the main trends and problems.

The material came from three sources. First was the author's own observation and experience. He served in the Dallas Regional Office for nearly three years. This service was in the Price Division, but in many ways it was similar to rationing field experience and included a substantial measure of responsibility for installing the local board system in price control in one region. Also, from November 1944 to October 1945 the author was Assistant Deputy Administrator for Rationing.

The other two sources were the historical records and interviews with operating officials. The author spent several weeks in Washington and the Boston Regional Office gathering specific bits of data and talking with persons who were available for conference. The historical records had not at the time been assembled and sorted; hence, the most productive source of information and interpretation was the interviews.

Documentation of an account developed in this way is necessarily limited. Moreover, the area of interpretation by the author is broad. For accuracy of fact and interpretation, and balance in judgment, the author has depended heavily upon those who have aided him either by interview or by reading parts or all of the manuscript.

It would not be possible to list the names of all who have given assistance. Several, however, aided continuously in the development

of the project. Among these were Max McCullough, Joseph A. Kershaw, Harvey C. Mansfield, Richard A. Girard, Don Leach, and Mrs. Anne Flory. Others who have read part of the volume and given suggestions for improvement are Frank Bane, John D. Moseley, James Scully, Patrick Hanaver, Victor Thompson, James Mendenhall, and Prof. J. Alton Burdine.

To all of these and many others who have assisted, the author is grateful. The remaining weaknesses of the volume are due either to the difficulty of the task undertaken or to the author's own limitations.

Emmette S. Redford,
Professor of Government,
The University of Texas.

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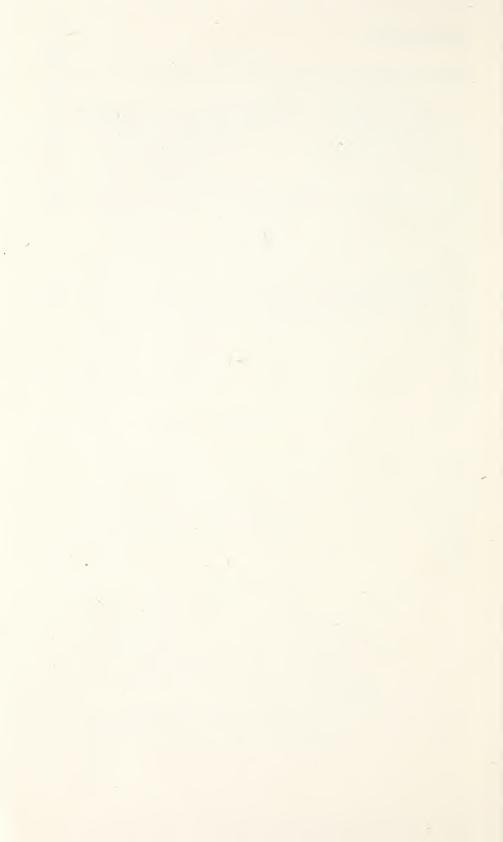
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## CHAPTER

## I

# Introduction

Recognizing that the defense program would create commodity shortages, Congress at an early date delegated authority to the President to allocate scarce supplies. The authority was granted in sweeping terms:

Whenever the President is satisfied that the fulfillment of requirements for the defense of the United States will result in a shortage in the supply of any material for defense or for private account or for export, the President may allocate such material in such manner and to such extent as he shall deem necessary or appropriate in the public interest and to promote the national defense.<sup>1</sup>

By a series of orders the authority to allocate various commodities was delegated to a number of different agencies and exercised through a variety of administrative expedients, such as the priority order, the set-aside order, and the rationing order. In most cases the allocation was accomplished by controls over producers, distributors, and industrial and commercial users; but for some commodities it was deemed necessary to carry a system of apportionment of the limited supply available for civilian use through to the consumers of the Nation by rationing.

A combination of circumstances put the responsibility for framing and administering the first consumer rationing program upon the Office of Price Administration (OPA). In turn successive programs were delegated to OPA, and it came to be a kind of service agency whose function was to ration any commodity upon request from the "supply" agencies, such as the War Production Board and the War Food Administration, which had the responsibility for supply, distribution, and over-all allocation.

OPA's responsibility in rationing was defined in two ways. First, it rationed under the terms of orders of delegation from other agencies.

<sup>&</sup>lt;sup>1</sup> Act of May 31, 1941, 55 Stat. 236. In the Second War Powers Act, 56 Stat. 176, March 27, 1942, title III, sec. 301, the authority was expanded to include "material or facilities" and the words "upon such conditions" were added after the words "in such manner."

Second, the maximum amount to be rationed in a given period was set in an allocation for civilian use. Thus, OPA received a statement of the quarterly allocation of sugar for civilian uses and of the monthly allocation of tires for such uses. OPA's responsibility was to devise and operate a system for fair distribution of these amounts, but no more, among civilian users.

During the course of the war OPA rendered this "service" function for a considerable group of commodities. The following were under a system of consumer rationing between the dates shown:<sup>2</sup>

#### Transportation commodities: Tires\_\_\_\_\_ January 1942 to December 1945. Automobiles\_\_\_\_\_ February 1942 to October 1945. Gasoline\_\_\_\_\_ May 1942 to August 1945. Bicycles\_\_\_\_\_ July 1942 to September 1944. Fuels and stoves: Fuel oil and kerosene\_\_\_\_\_\_October 1942 to August 1945. Stoves\_\_\_\_\_ December 1942 to August 1945. Solid fuels (Pacific Northwest only) \_\_\_\_\_ September 1943 to August 1945 Food: Sugar\_\_\_\_\_ May 1942 to June 1947. Coffee\_\_\_\_\_ November 1942 to July 1943. Processed foods\_\_\_\_\_ March 1943 to August 1945. Meats, fats, canned fish, cheese, and canned March 1943 to November 1945. milk. Footwear: Rubber footwear\_\_\_\_\_ October 1942 to September 1945. Shoes\_\_\_\_\_ February 1943 to October 1945. Typewriters\_\_\_\_\_ March 1942 to April 1944.

In rationing these commodities OPA had three major tasks, and in each of these the participation of a field organization was essential.

First, there was the task of determining "who gets how much." This involved determination of categories of eligible persons and development of rules concerning the conditions of eligibility and the amounts allowable to those eligible. It involved also the application of these rules to a multitude of users.

In general, two methods of dividing the allocation among consumers could be and were used. In one, the principle of equal sharing among all persons presumed to be possible users of a commodity or a group of commodities was followed, and a general grant of purchasing power, that is, of ration currency, was made to such persons. This might be done by uniform coupon rationing to provide equal shares of a single commodity, or by point rationing to allot equivalent shares of a group of commodities. In the other, the principle of

<sup>&</sup>lt;sup>2</sup> The table is taken from U. S. Office of Price Administration, *Rationing in World War II* (Washington, D. C., November 1946), p. 2. The listing is in broad terms. For instance, at first gasoline was rationed only on the eastern seaboard. The rubber footwear program applied only to six heavy-duty types.

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allocation according to special need or use was followed, and currency was granted only upon application showing such need or use. This might be done through differential coupon rationing which provided variable shares of a single commodity to different consumers according to their varying needs or through certificate rationing which allotted single items to individual buyers after application and demonstration of need.

The first method was followed, by and large, in the food program. Thus, in the processed food (blue point) and meats-fats-oils (red point) programs every consumer was granted each month an equal basic ration, stated as a given number of blue or red points, which could be spent for any of the various items on which blue or red point values were set. In the sugar program every consumer, and in the coffee program every consumer of eligible age, was allowed at successive intervals to use a coupon for purchase of a stated amount of the particular commodity. The system used in sugar and coffee rationing was also used in shoe rationing. Moreover, each owner of a registered passenger automobile was allowed "A" coupons of the same value for purchase of gasoline, except for sectional differences in ration allowances during part of the program.

The second method was used in diverse ways. For rubber footwear, stoves, tires, automobiles, and trucks, eligibility had to be shown for each unit to be legally purchased. In the shoe and the food programs supplementary grants were made upon special application in a variety of cases. In fuel oil each eligible person was given an amount calculated according to a formula which took account of such factors as floor space and number of small children in the home. In gasoline a considerable number of eligible groups were defined and each member of an eligible group could obtain rations upon application. so-called "B" card holders, amounts up to a ceiling could be granted; to others, the "C" card holders, the farm user, and the user of certain types of commercial vehicles, any amount needed was granted. some cases, as for farm users and users of commercial vehicles, the entire grant was made upon periodic application; in other cases, as for the "B" and "C" card holder, a "supplemental" issuance was granted as an addition to the basic "A" ration.

When the second, that is, the application method was used, a field organization was required to pass upon the huge volume of applications to be received. This organization had to be sufficiently localized to insure the necessary degree of promptness, convenience to the applicant, and consideration of local factors and personal statements

affecting eligibility.

Even when the local burden of passing upon applications was partially avoided by choice of the principle of equal sharing for the basic

ration, special applications of various sorts had to be allowed. Children or others could not be left without shoes even if they had exhausted the basic ration. In food rationing special issuances had to be made to bakeries, soft-drink bottlers, and other industrial users; to restaurants, hospitals, and other institutional users; to persons requiring additional rations because of illness; and to a variety of smaller groups. In gasoline rationing the grant of a basic ration did not avoid the largest local task in rationing—that of passing upon applications for various types of special and supplemental rations.

In cases of recurring or continuing need the practice of granting rations to meet needs for a limited period was followed, necessitating periodic reapplication and redetermination of eligibility and quantities to be granted. Thus, a kind of timetable on issuances was developed. Food rations came to be granted to industrial users for 3-month periods and to institutional users for 2-month periods, supplemental gasoline rations ("B" and "C" issuances) for 3-month periods and farm gasoline rations for 6-month periods, and home-canning and fueloil issuances were made each season. This was necessary to provide periodic consideration of eligibility and amount needed, or to allow adjustment of the amount of the ration to currently available supply, or to insure that use of the commodity was evenly spread. Even with issuance for limited periods, supplemental grants within a period were frequently made, as to individual fuel-oil users to prevent special hardship, to "C" card holders to meet additional needs, or sometimes to industrial users to compensate for a raise in point values.

The result was a tremendous continuing volume of individual applications to be handled, in the main, by the field organization. In the fiscal year of 1945, it was estimated that the boards processed 30,000,000 basic "A" gasoline applications and 68,000,000 "B" and "C" supplemental applications, 18,000,000 applications for tires, 17,000,000 canning sugar applications, 2,500,000 applications for institutional user allotments, 12,000,000 fuel-oil applications, and 3,000,000 stove applications.<sup>3</sup>

Handling these applications involved clerical work and adjudicatory decisions. In some cases, as in fuel oil and food for industrial and institutional users, action on applications was largely the result of mathematical computation; adjudicatory responsibilities were small, arising mainly in the exceptional case, and the clerical load was

heavy. In other cases, as for tires and gasoline, careful judgment was required on each application to determine whether the facts were such

<sup>&</sup>lt;sup>8</sup> Appropriation estimates for fiscal year 1946, as submitted to the Bureau of the Budget, typed copy, p. 218. The enumeration does not include all types of applications. The 30,000,000 basic "A" gasoline "books" were distributed automatically to all eligible passenger car owners in a general issuance.

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as to show eligibility under the rules. In these cases the load of clerical processing might be heavy, but the most significant burden was upon the adjudicatory authorities. Although other national programs have brought a larger volume of clerical work (e. g., in the postal system), no other program has ever called for a similar volume of adjudicatory decisions.

The second major task in rationing scarce commodities was the provision of a medium for payment for purchase items. Values had to be set on commodities in terms of a new currency; the currency itself had to be devised, printed, distributed to issuance centers, and placed in the hands of purchasers of commodities; and the "up-stream" movement of currency against the "down-stream" movement of commodities had to be regulated.

This, also, brought a field task of great magnitude. War rationing books, containing a new purchasing medium, were issued periodically to approximately 130,000,000 persons; and replacement of lost books and issues of new books to babies, discharged soldiers, and others ran to a monthly average of several hundred thousand. "A" books, containing currency exchangeable for gasoline, were issued periodically to owners of passenger automobiles; and each day hundreds of thousands of coupons were torn from sheets or rolls and thousands of certificates of purchase and checks written out, to be handed or mailed to eligible users. All of this had to be done under safeguarding and accountability procedures similar to those under which the older and permanent currency of the Nation was handled. When a ration banking system was inaugurated, the supervision of more than 15,000 banks was delegated to the field offices. And as the menace of counterfeit and stolen coupons threatened first the gasoline and then other programs, an elaborate system of verification of currency which had been accepted in payment for commodities and of debiting accounts of dealers accepting illegitimate currency was set up for field administration. Miscellaneous tasks, such as distributing currency, acting as change maker to those not covered by ration banking, making loans for purchase for future sale, and granting "bail-outs" to those who had suffered pardonable losses of currency, required action "in the field."

The third task was to obtain understanding of and compliance with the regulations which were issued. Rationing was a new experience for the consumer and the trade. It limited the consumer; it placed obligations and restrictions upon businessmen, many of whom were unaccustomed to Government controls. Commodity values in terms of ration currency, the face value of the currency, and the conditions of eligibility underwent changes throughout the program. The suc-

<sup>&</sup>lt;sup>4</sup> As the rate of discharge of soldiers increased in 1945, the monthly issuance went above 1,000,000.

<sup>744786-47---2</sup> 

cess of the effort to hold consumer use within the stated limits set by the supply agencies was dependent upon obtaining trade understanding of its specific obligations and upon trade and consumer acceptance of the justice of rationing and of the rules of distribution. The success of the program was dependent also upon the prevention of the spread of noncompliance by an energetic enforcement policy directed toward careless and willful violators.

Although national publicity releases and national devices for distribution of information, such as the point charts showing the current values of rationed foods to all retailers, were useful, the task of obtaining understanding and cooperation and of taking action against the flagrant offender required the collaboration of a field organization reaching into the communities of the Nation. Education and compliance checks became the complementary arms of a national-field effort to maintain compliance.

In summary, it may be said that the three tasks of determining eligibility for rations, of issuing and maintaining the integrity of ration currency, and of obtaining understanding and compliance required a large, localized field organization. The establishment of this organization, the methods of localizing it, the administrative techniques employed, and the problems which arose in running it form an important chapter in the adjustment of civilian living to wartime requirements in World War II, and provide an interesting case study in the decentralization of uniform national programs.

Students of public administration have become increasingly conscious of the problem of physical and psychological distance between the citizens affected by national programs and the Washington authorities who are responsible for those programs. No problem of administration is more important today than that of bridging this gap through decentralization of the administration of national policies. Experience should provide guides for the future, and perhaps no experience in field administration of national policies is more significant than that in field administration of wartime rationing. This volume is a record and analysis of that experience.

The task has been undertaken with a number of reservations. First, the analysis is limited to field administration in the continental United States. The problems and setting were so different in region IX, as it was called, which comprised the territories, that it has seemed desirable to exclude them from this analysis. Second, the Inventory Control Unit, located in New York City, is not discussed. Although physically located outside Washington, its operations were national and it functioned under the direct supervision of an executive in the national office. Third, for similar reasons the autonomous hearing commissioners are excluded from this discussion. Although attached to regional

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offices and supplied with office services by those offices, the commissioners were appointed by the Hearing Administrator in Washington and were subject to his direct control. They were not a part of the hierarchy of field administration, and their work is significant primarily as a phase of administrative law rather than of field administration. Fourth, except for a few brief references to later experience, this analysis is limited to the period from the initiation of the first rationing program to the end of 1945. After December 1945 the only commodity rationed was sugar. The methods of administration were different in important respects from those previously used for carrying out the several rationing programs. It would needlessly complicate the present study to extend its coverage beyond the liquidation of the Rationing Department at the end of 1945.

More significant is the limitation arising from the method of approach to the problem. The objective is to discuss the "system of administration" which was used to get the various jobs done which have been outlined in this chapter. This does not require discussion of the particular problems in every organization unit; on the contrary, there are advantages in concentrating attention on certain primary channels of action, such as the Rationing Division and the local boards. Moreover, the object of describing the system of administration is best attained by foregoing any attempt to cover the nonadministrative problems in the various areas in which there was field activity. The absence, therefore, of any separate discussion of such topics as public information and enforcement is in line with the objective of discussing only a system of administration. This is enough for a single volume.

Two significant phases of field operations in rationing are treated in appendices. One, the Northwest Solid Fuels Branch, was a distinct type of field operation in rationing. The other, the distribution of materials, had such importance in the rationing program as to call for a larger discussion than could be fitted into the chapters of the text.

One further comment on the scope of analysis should be made. By field administration we mean administration through units or personnel located outside of the national office, which was located in Washington. Field administration included, in the main, administration through the local board structure and through offices called "field offices." The latter term is used herein, as it was in OPA, to apply to regional, State, and district offices, but not to units in the local board structure.



# CHAPTER

# II

# Development of Areas of Field Administration

### 1. The Situation Before Pearl Harbor

The Office of Price Administration was created by Executive order on August 28, 1941. It and its predecessors had issued 47 price schedules by December 7, 1941. These regulations affected commodities on which the pressure of wartime purchasing and shortages was strongest and applied only at producing, processing, primary distribution, or wholesale levels. General price control, particularly at the retail level, was not at that time contemplated.

By December 7 three significant developments were underway. First, a price control act, which would delegate authority to fix prices at any level, and authority to control rents, was being considered in Congress. Second, a considerable group of attorneys, economists, and business specialists had been recruited, and formed the nucleus of the future price, rent, and rationing staff in the national office. Third, plans had been laid for a field organization which would be adequate to carry the limited type of price program then contemplated.

A Division of Field Operations had been set up in OPA in October 1941. This division had made plans for 12 regional offices, each of which would control about five or six subordinate field offices.<sup>2</sup> Nevertheless, only three regional offices had been opened by the time OPA undertook the rationing of tires, and two of these had been open only since December 8. Four more were to be opened on January 12 and another on January 26.

OPA's plan for a field organization was said to be one of the factors influencing the decision to make OPA the rationing agency, but at

<sup>&</sup>lt;sup>1</sup> Executive Order 8875, 6 F. R. 4483.

<sup>&</sup>lt;sup>2</sup> First Quarterly Report, Office of Price Administration, p. 68.

<sup>3</sup> See Leon Henderson's public statement of December 28, 1941. PM 1960.

the time the first rationing program was instituted the field structure was only beginning to develop. There was no field organization ready to carry a rationing program.

### 2. The Beginning of Rationing

Nowhere did events move more rapidly in the month after Pearl Harbor than in the development of machinery for rationing of automobile tires. The prohibition on the sale of tires, recommended by one of Leon Henderson's advisers and rejected by him on December 8, was reconsidered after the sinking of the British warships Repulse and Prince of Wales. The Office of Production Management made it effective on December 11.4 Every consideration required that the freeze on sales be lifted as soon as possible. In a rapid succession of conferences basic rationing policies were decided, a system of field administration was determined, and the Office of Price Administration was given the responsibility for planning and executing the tire rationing program.

The decision on a system of local administration was made on December 14.5 Between December 11 and 14, the perplexing problem of how to establish machinery for rationing tires to people in thousands of communities was considered in a number of meetings. Proposals were made to put the job on county agents, the Department of Agriculture, public schools, or county governments; but objections against each of these methods prevailed. Finally, Frank Bane, who had set up the State councils of defense in 1940, and who had been brought to OPA in October 1941 to establish a field organization for price control, was invited by Leon Henderson to a conference held on the morning of December 14. He suggested that the governors and the councils of defense be asked to set up local committees to ration tires. The plan was accepted, and Bane was delegated the task of carrying it into operation.

One of the actors in this scene has said that the group was relieved when Bane's proposal was made. Apparently, however, all were not convinced, for a few days later the plan was contested by a group which proposed that OPA set up about 1,000 district offices to handle the rationing job. Bane argued that it would take too long to establish such a system, and also emphasized the positive merits in a system of

<sup>&</sup>lt;sup>4</sup> This was a "tentative freeze," subject to whatever action might be determined. The decisions at a general conference on December 14 in regard to institution of rationing by January 5 made it possible to retain the freeze.

<sup>&</sup>lt;sup>5</sup> The decision that OPA should handle the program was made at the same time. The formal delegation followed in OPM Order No M-15-c, issued December 27, 1941. See Minutes of the Supply Priorities and Allocation Board (Civilian Production Administration, Washington, 1946), pp. 38, 42.

community participation in which thousands of people would be brought into the program. By that means complaints would be localized and the Washington office would be protected from concentrated political pressures. Leon Henderson presided at the meeting and the decision to use local committees was allowed to stand.

Bane had already set in motion the plan of operation proposed by him on December 14. On that evening he sent a wire to each governor. He told the governors of the plan to ration tires to essential users, of his designation by OPM and OPA to handle the organization job, and added: "I have assured them that it could and would be done through the State and local councils of defense and with the enthusiastic cooperation of the governors \* \* \* Will you please notify your council of defense that this job is coming through." On December 17, a wire to the State defense councils said, "It is imperative that you establish immediately in all localities not already covered, competent local councils to handle this work by January 2." 6

On December 15, a Commodity Distribution Section was set up in the Division of Field Operations which Bane had created in October. This section prepared instructions for local administration of the tire rationing order which was being framed by the lawyers and commodity experts in the Rubber Branch of the Price Division. It also served as a point of contact with the State organizations which were being established. Also, on December 15, Bane borrowed 20 people from over the country, who were given three days of training and sent out to help the States set up local machinery.

All governors replied to Bane's wire agreeing to have the local organization ready by January 2, a date which was subsequently changed to January 5. On December 19, Bane sent a long letter to each governor outlining the plan for local administration, and on

<sup>&</sup>lt;sup>6</sup> When Mayor LaGuardia, Director of the Office of Civilian Defense, learned that the councils of defense were to be used he objected to OPA's plan and proposed that OCD set up the rationing system through the States. This would have made the mayors rather than the governors the key figures in establishing the organization. Both LaGuardia and Henderson appealed to the President, who upheld the latter in a memo to him on December 20.

<sup>&</sup>lt;sup>7</sup>An interesting report by Frank Bane to Leon Henderson in a memorandum dated December 15, 1941, told of the steps outlined in the above paragraph, of his wire to governors, and said, "By way of trying out our organizational and administrative problems and ideas to ascertain what was thought about them and whether or not they could be consummated in the time available, I have talked on the telephone, Sunday night and today, with the following persons: J. W. Farley, director of the Massachusetts State defense council, and also with Governor Saltonstall's office; Governor Lehman, of New York; Isaac George, director of the Maryland defense council, and also with Governor O'Conor's office; Douglas Freeman, chairman of the Virginia defense council, and also with Governor Price's office; Governor Bricker, of Ohio; Governor Stassen, of Minnesota; Clarence Jackson, director of the Indiana defense council, and also Governor Schricker's office; Richard Graves, director of the California defense council, and also Governor Olson's office; Edward J. Kelly, mayor of Chicago. All of them agree that if given the organizational and administrative instructions by the end of the week, they can and vill do this job." By noon, December 16, all governors had been contacted by telephone.

December 27 the *Instructions for Tire Rationing* were released. The plan which was developed and put into effect had these basic features:

(1) A tire rationing administrator was designated in each State and for the metropolitan areas of Chicago and New York.

(2) A local board of 3 was appointed in approximately 7,500 localities. These members were given the oath as Federal agents and served without compensation.

(3) In counties where there was more than one board, a county

administrator was designated.

(4) The local board was given the responsibility of determining which applicants were eligible for tires under the tire regulations, of issuing certificates to these persons, of keeping records on all applications, and of making periodic reports.

(5) The State tire rationing administrator had supervisory responsibility and was the sole channel of communication with

the local boards.

The State tire rationing administrator was chosen by the governor, usually with the collaboration of the State council of defense. In some cases, the chairman or other person in the State council took over the new job.

In general, it may be said that the governors looked for men of competence, prestige, and political standing. Some of the governors, recognizing that a big war job lay ahead, and that there were many imponderables, selected men whom they believed could cope with any situation. On the other hand, it was inevitable that the lack of understanding of the size and nature of the rationing job, the speed of the selections, and political factors influencing some appointments would lead to the selection of some men lacking in the competence, cooperativeness, and vision required for the tremendous rationing and price and rent control tasks which lay ahead.

These men were given a big organization job, but Washington provided no tools for getting the job done. In some places they could take over a part of the OCD organization. In other places such an organization did not exist, but the States were in a mood to do things quickly. The key factor was the initiative of the State administrator and his relationship with the State government. Selected as they were, these men had one big advantage. They were able to obtain space, transportation, personnel, supplies, and equipment, none of which was supplied by the National Government. The State government usually provided these essentials, but all who have recorded their experiences report the rapid growth of the job beyond available space and clerical assignments.

Taking this responsibility in most States about December 27, the

State administrator soon found a deluge of instructions, application forms, and certificates which were to be immediately transmitted or shipped to local boards. Some rewrote or digested the instructions before sending them to the boards. Quickly assembled staffs worked late into the night to get out the materials. This task was soon followed by a flood of questions from the boards and appeals for additional quotas, since each county was given a monthly quota of tires limiting the number of certificates it could issue.

The initial task, of course, was to obtain three men for each local board. The precise methods of selecting these men varied considerably. In places where local councils of defense had been established, the usual procedure was to approve their choice or obtain their participation. In some cases local council members took on the job. In some States the State authorities contacted men known to them in the communities and asked that they serve or recommend appointments. In Massachusetts a State board appointed by the governor asked the selectmen to make the choices—which resulted in the establishment of a local board in every town. In Louisiana the police juries carried out the organizational task. Thus, over the country as a whole, local councils of defense, local governmental agents, or other prominent authorities aided in obtaining three persons to assume a task of undefined difficulty and magnitude.

The amount of central influence or political consideration in making appointments also varied. In some cases the governor or the political group with whom he was identified exercised considerable influence over the appointments. In most cases, however, and sometimes necessarily, full local autonomy was allowed in these selections. Since the mayor or a county official was usually chairman of the local defense council, such persons usually influenced the decisions on appointments.

Like the State tire rationing administrator, the local boards prepared hastily and against great obstacles for service by January 5. Space and clerical help were obtained from municipalities or other governmental agencies, from private companies, provided by the local board chairmen, or begged or borrowed from other sources. On the whole, space, equipment, and personnel were supplied, as Bane had anticipated, by local governments. But most boards were poorly equipped—crowded in small rooms, without filing cabinets, and with insufficient clerical help.

In some cases application forms and certificates did not arrive by January 5. Moreover, boards were inadequately prepared for their duties of adjudication by that date, there being little time for study of instructions. Nevertheless, in most places boards were issuing tire certificates on January 5. The deadline was met. Frank Bane

had been correct in his prediction that the States and communities would give their enthusiastic cooperation.

The system of community participation through local boards had made it possible to initiate a rationing program based upon adjudication of individual applications without, or in the absence of, suitable Federal offices in local communities. Similarly, the system of State cooperation under which the State governments served as Federal agents in organizing the local boards had made it possible to get the rationing program in operation prior to the establishment

of a system of Federal supervisory offices.

The volunteer nature of the enterprise also led characteristically to a good deal of local pride in community and State participation and to resourcefulness in meeting problems. Not only had an organization been developed and materials distributed, but some discretion had been bestowed and more was at times assumed. The States had been allowed to determine the number of local boards to be established. Flexibility in methods of selecting personnel was permitted, and Washington approval of personnel was automatic. Moreover, in the early period there were instances in which instructions seemed to be incomplete, or in which the regulations appeared to impose hardship. In the absence of close supervision, and under a system in which initiative and resourcefulness meant so much, State administrators in some instances authorized grants to persons or groups not included in the eligibility categories of the regulations; and more often local boards, on their own initiative, took action of this kind. Although such actions were infrequent, they tended to encourage a habit of thinking toward discretionary authority in local boards and State offices.

The State-local organization was soon asked to handle other rationing programs. Automobile rationing became effective on February 2, rationing of recapped tires and recapping services on February 19, and rationing of used and new typewriters in March. All of these were certificate programs, that is, they permitted a consumer purchase only after a determination of eligibility and the grant of a certificate by a local board. Except for recapped tires and recapping services, the volume of applications received was not large; but it was necessary to master several regulations so that inquiries from the public could be answered correctly and decisions on applications could be made in accordance with the eligibility standards set out in the regulations. Also, each additional program brought more application forms and certificates and more visitors to the already overcrowded local boards.

As early as February 9, the director of the Division of Field Opera-

tions wrote to each governor concerning plans for a sugar-rationing program. For the first time a rationing program would directly affect every person in the country. For the first time it would be necessary to put a new kind of currency in the hands of every consumer and of a large and diverse trade. This was a colossal task, much too large for the local boards to handle without assistance. Frank Bane arranged with the Office of Education to secure this assistance from the public schools. Other State and local authorities, such as the county clerks and the State highway patrols, were also asked to help. State and local cooperation, used in the initiation of the tire-rationing program, was now solicited and obtained for a program which called for the registration of over 1,000,000 retailers, wholesalers, and industrial and institutional users of sugar on April 28 and 29, and the distribution of approximately 125,000,000 ration books to household consumers from May 4 to May 7.

The responsibility for obtaining the cooperation of the various participating groups, for coordinating all activities, and for seeing that the operation was conducted smoothly fell, at their respective levels of jurisdiction, upon the State and county rationing administrators and local board chairmen. The two successive registrations—of members of the trade and of consumers—were conducted at school sites under the supervision of school-site administrators appointed by the city and county superintendents of schools. The school-site administrators instructed and supervised the registrars, who in most cases were teachers, and who were the persons who actually distributed the books and registered trade members. Trade rationing advisers, selected from the affected trades, assisted in the registration of wholesale and retail distributors and industrial and institutional users. All of these persons served without compensation.

It was necessary to provide for safeguarding the books which would soon become so valuable in channels of trade. These books were shipped to the county clerk, who either designated or himself became the local custodian during the consumer registration period. The custodian had the responsibility of protecting the books and distributing them to school sites. As was anticipated, shortages of books developed in certain localities. Where this occurred, books were usually transported to the places where needed by the State highway patrols.

Because of the time required for the tremendous task of printing and distributing application forms, war ration books, and other currency, and for developing plans for multiple participation in the registration of consumers and members of the trade, it was necessary to allow a greater time lag between the announcement and the effective date of sugar rationing than there had been when tire rationing was instituted. This time lag made possible the use of simple techniques of field communication, consultation, and instruction. Notice of the plans for sugar rationing was given to the governors approximately three months prior to the registration of consumers. A meeting of State rationing administrators 8 and State school administrators was held in Chicago on March 21 and 22, at which the plans for the registrations were explained and the problems foreseen were discussed. A detailed statement of local board functions in sugar rationing was sent to State rationing administrators on March 31. Materials prepared in the Washington office explained why sugar rationing was necessary and contained instructions for the various steps in the distribution of War Ration Book I and the registration of the trade. Shortly before the date of the consumer registration, 58 specialists were sent from Washington to the 48 State offices, the District of Columbia, and the regional offices, to serve as technical aides on problems arising in the administration of the sugar-rationing program.

It is generally agreed that the distribution of War Ration Book I and the registration of trade members went off rather smoothly. It was a mechanical job of tremendous magnitude, carried out under a

system of Federal, State and local cooperation.

For the local boards, the institution of sugar rationing brought a big increase in work load and functions. The sugar-rationing regulations called for a wide variety of adjudicative actions and clerical operations. Those who were ill, on furlough from the armed services, or had lost their ration books, came to the local boards for special issuances of currency. All institutional and industrial users of sugar applied to the local boards periodically for allotments of sugar. During the summer months millions of persons filed applications for home canning sugar.

Gasoline rationing was to become effective in 17 Eastern States on May 15, and other rationing programs were to follow. In a few short months the local boards came to occupy a central position in wartime consumer living and in relation to certain types of trade activity.

Their varied and important responsibilities were carried by unpaid volunteer citizens who, though under a Federal oath, had been called into service by State or local agents. The only guidance came through the flow of written instructions from the State office, which had heroically undertaken to place the resources of State and local communities at the disposal of the National Government.

<sup>\*</sup>With the development of plans for rationing other commodities in addition to tires, the word "tire" was dropped from the title of the State tire rationing administrator.

## 3. Establishing National Control of the Field Structure

#### The First Phase

In the first phase of rationing field operations, OPA was developing two contrasting systems of field administration. On the one hand, it was completing the organization of the regional offices, manned by paid employees of the National Government and which would directly or through subordinate offices carry out field functions in the price program. Inherent in this development was the idea of field administration of national programs by national agents. On the other hand, it had enlisted the aid of the States, and these had set up going State offices, which in turn had built and directed the local rationing machinery. Here was an example of the well-known system of cooperative federalism, under which State agencies administer national programs.

The State office operated under the direction of an unpaid administrator. Thus, the State system of administration, like the local board system, had the flavor of volunteer administration.

Retail price control had not yet been initiated, and the field administration of selective price controls at producing and wholesale levels was concentrated in the regional offices and in a small number of district offices reporting thereto. On the other hand, the institution of the first rationing programs had necessitated the immediate operation of local machinery at a time when the regional offices were only beginning to emerge; and hence these offices could not assume a positive role in the early months of rationing.

A meeting of the State tire rationing administrators was held in the middle of January in Chicago. Regional directors chosen by that time were also there. John Hamm, presiding as Leon Henderson's spokesman, told the State tire-rationing administrators how the rationing job would be done. He explained that rationing would be carried out by the local boards but that the State office would be needed as a focal point to get instructions to the boards. He emphasized the authority of the local boards and, in turn, that of the State tire administrator. On the other hand, the regional directors, although recruited primarily for field administration of the price program, had been told by Bane that they would have supervision over all parts of OPA's program. The inherent conflicts thus forecast took months to resolve.

During the first few months the regional offices' participation in rationing was very limited. On January 12 forms were sent to the State tire-rationing administrators on which local boards were to report violations of tire regulations which had come to their attention.<sup>9</sup> Another letter to the State tire-rationing administrators on January 22 told them that regional directors had been requested to make surveys throughout the 48 States in order to ascertain whether the tire-rationing regulation was being complied with, particularly among dealers. Inspectors of the Wages and Hours Division of the Department of Labor would assist in making the surveys and would contact the State administrators for names of car dealers against whom complaints had been made.<sup>10</sup> In the letter of March 31, outlining the functions of local boards in sugar rationing, the State rationing administrators were asked to present to the regional director detailed recommendations on additional personnel and equipment required.<sup>11</sup>

Thus, functions regarding compliance and allocation of funds were indicated for the regional office. On the other hand, instructions continued to flow to the State offices directly from Washington, requests for additional tire quotas and for interpretation of regulations went from the State offices to Washington, and no general supervisory controls in the regional office had been outlined.

#### The Second Phase

A second phase in rationing field operations began in April 1942. By that time the Washington office was ready to clarify the field structure and make more permanent arrangements for field administration of OPA's several responsibilities. The main outlines of the jobs to be done had now become clear. A comprehensive retail price control measure, the General Maximum Price Regulation, was to be issued and it was contemplated that the local boards would serve in some way in its local administration. The rationing workload already being developed was too heavy to be handled at the State level on an ad hoc basis by volunteer unpaid citizens. By this time regional offices were being rapidly staffed as miniatures of the national office, with program specialists, attorneys, and investigators. Finally, many complaints had come from Democratic members of Congress that opposition parties or factions were in control of the rationing machinery in their respective States.

The structure now planned called for the combination of price and rationing functions in the same offices at the successive levels of field administration, for paid State directors, and for incorporation of the State rationing offices into the national field organization. The plan was communicated to the governors on April 20 in a wire from Leon Henderson which said in part:

<sup>9</sup> State Rationing Administrator Instruction Letter No. 3.

State Rationing Administrator Instruction Letter No. 8.
 State Rationing Administrator Instruction Letter No. 55. By this time some Federal funds were being allotted for clerical help and equipment.

We are currently drafting a price-control program designed to stabilize the cost of living. I am sure that you appreciate the importance of such an undertaking and the magnitude of its administrative problem. It is unparalleled in the history of our Government. To succeed, I realize that we must have the wholehearted support and cooperation of the States and their defense organizations. I am, therefore, planning to use the States as administrative units in carrying out price and rationing work. I propose to appoint a State director in each State who will, subject to regional and national directions, have administrative responsibility for both the price and rationing programs. These State directors must devote full time to their work. They must be sworn employees of the OPA and we are prepared to pay them a salary as nearly commensurate with their responsibility as the classification act will permit. \* \* I am, therefore, asking you as the chief executive of your State, to have the State council of defense submit to me a panel of names from which I can select a person for this intensely important position.

Some of the wires expressed satisfaction with the job done by the State rationing administrator and willingness of the Washington office to continue him as State director, but added that since the job of State director would embrace responsibilities not initially contemplated, the State defense council should be given an opportunity to reconsider its selection. Many of the original tire-rationing administrators were reappointed in this way. In some other cases these men did not care to accept the permanent appointment which might have been theirs. In still other cases, however, a substitute was desired by the national office.

Leon Henderson and his senior deputy, John Hamm, took this task of appointment seriously, partly out of recognition of the importance of the job but also because they wanted to reduce the complaints from majority members of Congress that rival political factions were obtaining the jobs and were being given an opportunity to create local political organizations. The appointments were made by Henderson, but regional directors were asked to make recommendations from the names proposed by the governors. Through Hamm's office political clearances were made at the capital. In most cases either the man who had been serving as State rationing administrator or a person whose name appeared on the governor's panel was selected, but in some cases the governor was asked to make additional nominations and occasionally a man was appointed who had not been recommended by the governor.

The new State directors were asked to report to the head of the regional office, whose title was changed to regional administrator. Administrative Order No. 4, issued May 7, 1942, for the purpose of

<sup>&</sup>lt;sup>12</sup> By this time money for paid staff was being allocated to State and local offices and unpaid positions carried much prestige and authority.

<sup>&</sup>lt;sup>13</sup> This marked the entrance of politics in the field administration of OPA's programs. The regional directors had been selected without political clearance and even without regard to political affiliation.

defining administrative relationships, gave the regional administrator supervisory authority over State and district offices and local boards, now called war price and rationing boards. Thus, the original State offices became national field offices, the war price and rationing boards were put under supervision of paid national officials, and a regional office was interposed between the State and the national offices. For a time, however, the concept of the State as the key administrative area for Federal administration remained. In the consideration in Leon Henderson's top staff of a State versus a Federal field system a compromise idea emerged in which the State organization would be retained but "federalized." 14

It was recognized, however, that in the larger States an intermediary unit between the State organization and the local boards would be needed; and a few such offices, called district offices, were already in existence for price operations. As a result, the system established in 1942 provided for four and sometimes five levels of administration. The hierarchy included local boards, district offices, State offices, regional offices, and the national office.<sup>15</sup>

During a period of time two sets of organizational relationships were, with some difficulty, established. First, the district offices were instructed to report to and accept instructions from the State offices; and second, at a later date, the personnel of local boards were placed under the supervision of the district offices in those areas where district offices existed.<sup>16</sup>

It was soon seen that this system called for an excessive layering of authority, with resulting delays in communication from local to central agents and vice versa. It seemed unnecessary, for example, for a district office in Tulsa to report to a State office in Oklahoma City which in turn reported to a regional office in Dallas.

#### The Third Phase

There came, then, a third phase in the development of the field structure. In the fall of 1942 the State directors were informed that the district offices would be told to report to the regional offices, and soon all district offices did so. The State offices for a time retained their title as such, but in April 1943, that was changed to "district office," <sup>17</sup> and the distinction between these two layers abandoned.

<sup>&</sup>lt;sup>14</sup> The compromise is indicated clearly in Henderson's wire to the governors on April 20, quoted above.

<sup>&</sup>lt;sup>15</sup> This structure was defined in Administrative Order No. 4. In the larger States, State offices served as district offices in an area surrounding the location of the office and supervised district offices in other locations in the State.

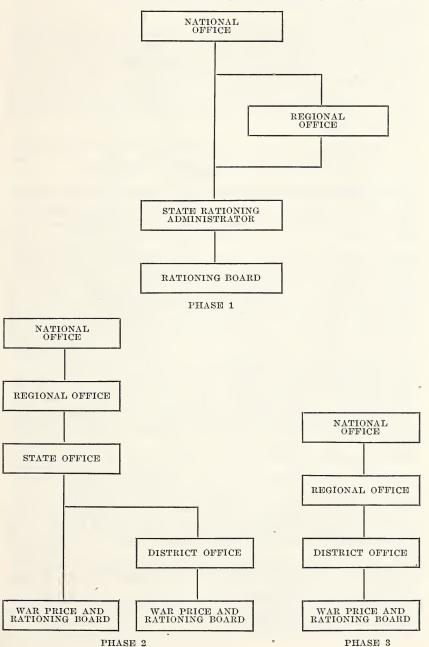
<sup>&</sup>lt;sup>16</sup> Administrative Order No. 4, Supplement No. 5, December 28, 1942, permitted regional administrators to delegate to district offices the authority to appoint and remove local board personnel.

<sup>&</sup>lt;sup>17</sup> Staff Memorandum No. 157, April 5, 1943. See also Staff Memorandum No. 260, September 24, 1943.

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#### CHART I

### THREE PHASES IN DEVELOPMENT OF AREAS OF FIELD ADMINISTRATION OF RATIONING



Differences in work load, however, later led to the classification of district offices as class A, B, or C, with corresponding recognition in the form of budget allocations and staffing patterns.

#### Final Developments

It was natural that "federalization," followed in many States by the elimination of the State as a unit of administration, should arouse some antagonism. The antagonism came from State officials and from groups opposed to the existing administration in Washington. It was sometimes shared by the State director and his staff and by local board chairmen and other board members who had been appointed by the State office.

One result was an attack on the regional structure and some antagonism within the organization itself toward the regional office. When Prentiss Brown succeeded Leon Henderson a strong movement developed among some of his advisors for elimination of the regional offices. Brown, himself, in answer to a question from a member of a congressional subcommittee, said, "I went into the Office of Price Administration \* \* \* somewhat of the same opinion that you indicate, that I would like to see a Washington-State organization with the regional offices eliminated." He added, however, that he made inquiry of operators of large businesses. "The general opinion of those gentlemen," he said, "was that you could not operate an organization the size of the OPA on a Washington-State basis, that you had to regionalize." The only alternative, Brown said, would be to bring the regional people to Washington, and "let the same people, substantially, operate the various regions of the United States from there." He concluded that "we are very much inclined now to stand by the regional plan." 18 The regional offices were considerably disturbed for a time in the spring of 1943, by the talk of their impending abolition, but after that summer there was no further consideration of this step.

By the middle of 1943, the basic units in the field structure had crystallized. After original plans for 12 regional offices in the continental United States, 8 were agreed upon by April 1942. No subsequent changes in number or location were made. The number of district offices in the continental United States rose to 104 by March 27, 1943, declined before the end of that year to 93, where it remained until VJ-day, after which the number was further reduced by December 31, 1945, to 64. Approximately 7,500 local boards were set up by Jan-

<sup>&</sup>lt;sup>18</sup> Hearings before the subcommittee for the Committee on Appropriations, House of Representatives, 78th Cong., 1st sess., on the National War Agencies Appropriation Bill for 1944, pt. 2, May 24, 1943, pp. 150-151.

uary 5, 1942; but by the end of the year the number was about 5,600, and it remained close to that figure until VJ-day. The local boards were the focal units in the issuance of rations until January 1, 1946. At that time with sugar the only commodity rationed, the remaining local board functions in rationing were moved to district offices. Until then the district offices, in the rationing program, had partly supervisory and partly operating responsibilities; thereafter, they became exclusively operational, so far as sugar rationing was concerned. The regional offices' responsibilities in rationing, after the field system was finally completed, were almost entirely supervisory in nature. Their position as supervisory offices was emphasized strongly in national office plans and instructions.<sup>19</sup>

#### 4. Some Comments on the System

By April 1942, two basic features in the field administration of the rationing program had been fixed; and to a large extent the strength and weakness of OPA's field operations in rationing rested on them.

#### Local Volunteer Boards

The first was the system of local administration. It was primarily a volunteer system. Local board members served without pay. At any given time thousands of persons were serving as volunteer clerks. Even the paid clerks, being local residents and working in close contact with panel members, were influenced by the attitudes which governed the board members.

It was a system of community participation. Outstanding men in the community had taken places on the local board, not only as a personal war responsibility but also to help discharge the community's part of the job. Local governmental agencies, civic and business groups, and individual persons participated in a variety of ways; and the success of the local board chairman depended largely upon his ability to enlist community resources for the continuing tasks and the recurring special assignments.

It was, like the jury system, a system in which rights of particular persons were determined by a community committee. Rules of eligibility were contained in the rationing regulations, but the issues of fact on personal eligibility were adjudicated by the board or a panel of the board.

These were features which were unusual in the administration of a national program. But here, nevertheless, was a system which accorded with old and deep American traditions. It was decentralized,

<sup>&</sup>lt;sup>19</sup> In the price program, however, regional offices had extensive authority to make individual price adjustments and to issue general price orders, even after substantial delegation of such authority was made to district offices.

nonprofessional administration. It widened the participation in vital wartime activities. It gave a democratic imprint to a gigantic and complex regulatory effort which was alien to American habits.

The local board system made it possible to get rations issued to the people promptly. It also had certain positive advantages as an administrative technique. It aided in obtaining public acceptance of the idea of rationing. It contributed to public acceptance of the justice of individual decisions. And finally, it is probably true that a volunteer organization of local citizens shielded the central organization from a deluge of petitions and complaints on individual cases to a larger extent than would have been possible with a system of paid employees in Federal field offices.

But the system of local administration and the method by which it had been developed also brought troublesome problems of democratic

participation, equitable rationing, and agency effectiveness.

The original boards were composed of three members who were usually attorneys or businessmen. As the number of rationing programs was increased and a wider variety of local interests were affected, OPA tried to broaden the membership so as to represent more closely a cross-section of the community. In some cases this aim ran counter to the desire of the original board members to prevent expansion in membership or to their feelings toward inclusion of particular groups.<sup>20</sup>

The most difficult problem in local board administration was to obtain strict adherence to the regulations. If rationing operations were to be conducted without discrimination, it was necessary to follow closely the specific rules of eligibility laid down in the regulations. Board members sometimes saw situations in which they believed persons who were not eligibile for a ration under the regulations should nevertheless as a matter of equity or because of special hardship be granted the rations for which they petitioned. They had to exercise initiative and resourcefulness in obtaining facilities and personnel and getting the rationing job done generally, and they sometimes quite naturally found it difficult to distinguish between this type of initiative and a latitude of responsibility for improving or adapting regulations to meet local situations. The local boards generally felt entitled to some discretion in meeting local or hardship situations. This feeling was inherent in local administration by community leaders; it was fostered by gaps in the early regulations and aggravated by antagonism of many of the board members to "Federal bureaucracy."

An unfortunate result of the stimulus thus given to the twin atti-

<sup>&</sup>lt;sup>29</sup> See pp. 99-104.

tudes of flexibility and local independence was the persistent overissuance of rations by the boards where quotas were not stipulated. The necessity for community resourcefulness, the rapidity with which new regulations and amendments reached the boards, the incompleteness of the instructions, and the absence of close supervision all contributed to this initial sentiment of local autonomy and discretion. This was good for the satisfaction of local demands, but bad in terms of program results, since the rules for eligibility were drawn in the national office with the purpose of reducing total consumption to the supply certified to OPA as available for civilian use, as well as of recognizing priorities among would-be users.

This difficulty underlines the broader conclusion that the tightness of the administration of the rationing program depended almost entirely upon conviction and persuasion. Where paid employees are used, the issuance of commands and the ever-present possibility of discipline may help to insure the degree of adherence to instructions required by circumstances, but in a system of volunteer administration reliance must be placed upon the continuing conviction of the volunteers that it is necessary to follow the line prescribed. It was not difficult to maintain this conviction in the early days of the war for the rationing of tires, automobiles, and sugar; but a harder problem of obtaining board understanding arose with the rationing of gasoline and meat—commodities which appeared to be in bountiful supply in certain sections of the country. And for all commodities there was the ever-present problem of carrying to part-time volunteers an adequate story of the current supply situation and of the reasons for particular provisions of the regulations.

It may be concluded that the system of administration chosen so quickly in December 1941, gained acceptance and strength for the rationing program, but that it also brought peculiar, and in some respects very difficult, problems of administration.

#### Direct National Administration

The second basic feature of the system developed during the first four months of rationing was direct national administration through field offices. This choice also was of tremendous significance in subsequent operations.

The State selection of personnel and State autonomy followed by the establishment of national control left many scars and continuing antagonisms. There was alienation of political support as a result of both stages in this process. The use of State cooperation had unavoid-

<sup>&</sup>lt;sup>21</sup> Discussion in ch. VII will, however, show that in OPA the difference stated was only one of degree.

ably led to congressional complaints, and the subsequent attempt to eliminate these complaints by reconsideration of State directors produced further antagonisms.

One result of the retention of so large a proportion of the original rationing administrators was to bring into the expanded organization as district directors some men whose competence or breadth of vision and understanding was unequal to the large and diversified task which lay ahead, particularly in the area of price policy. Moreover, some of these men came into the Federal organization unsympathetic toward "federalization" and "bureaucratic" control, a feeling shared by some of the board chairmen appointed by the original State tirerationing administrators. It was accentuated, both in the minds of these board chairmen and of State directors, by the various steps taken to reduce first the independence and later the authority of the State office. The force of this observation is somewhat mitigated, however, by the fact that appointments of regional administrators, in which the national office always had a free hand, were not uniformly successful in this respect either.

It is interesting to pose the question as to whether the "federalization" of the State offices was a necessary step. Frank Bane had argued that the idea of State cooperation should be retained. In addition to regional offices, he advocated a State office in each State, staffed and operated by the State at the State capital. The finances, he argued, should be on the basis of a grant-in-aid, which would be subject to withdrawal at any time. This would have meant State instruction and supervision of the local boards and State cooperation in compliance activities. In connection with the latter responsibility, Frank Bane, after his return to the council of State governments and after discussion with his executive committee, proposed a plan to get rid of the black market in gasoline by making every policeman and judge in the country an agent for compliance in that program.

tained if the alluring system of State cooperation, including State and local aid in enforcement, had been adopted. State administration would have provided the small courts and the local police needed to handle the thousands of minor but cumulatively significant infractions of price and rationing regulations. On the other hand, one may well question the effectiveness of a rationing program conducted under State administration. The rationing regulations imposed hardship on some businesses, even threatening solvency in some cases, and put many curbs upon consumer purchases. Some of the restrictions were not accepted as reasonable in some sections of the country. Adjudi-

cation according to rule was resented to a certain extent by many members of local boards. The tendency toward laxity in some locali-

It is not safe to assert positively what results could have been ob-

ties, with consequent unfair diversions of scarce commodities to the most lenient jurisdictions, needed to be counteracted by constant effort. If national programs of action had had to clear through 48 semi-independent State administrations, would the lack of uniform administration and the variation in adherence to rule, always existent in the system which did develop, have increased to a point where the solvency of programs was endangered? Would there have been some State option in the administration of programs and perhaps an actual veto on necessary elements in their administration? Would political selection of personnel and low standards of operation in some States have affected fair and effective administration? Would the dangers in State administration have been even greater in the price program in which, under wartime necessities, adjustments in price were necessarily denied in many cases where some hardship resulted?

The success of the system of State cooperation in such matters as social security or road building has depended upon the ability of the National Government to render a service to the States or upon its readiness to grant money for State use in paying benefits or rendering services to the people. But rationing of scarce commodities was regarded as a control rather than a service. The withdrawal of funds for failure to follow nationally established standards in rationing administration would have been no disciplinary measure at all—it would only have aggravated the diversion of supplies to the offending area and raised a corresponding outcry of protest in neighboring States. The difficulties of setting up quickly and effectively an alternate system of Federal administration, in case of State recalcitrance, can best be left to the imagination.

Frank Bane has said that "The administration of the rationing program showed that, given a common purpose, the American people can extend their system of cooperative government to accomplish swiftly, efficiently, and without coercion any objective that modern society or total warfare requires." <sup>22</sup> The establishment of OPA's original field rationing organization did demonstrate that community resources can be mobilized swiftly for an emergency. The effectiveness of the State as an instrumentality for establishing local community organization was also demonstrated. But the possibility of operating over a considerable period of time a set of complicated control mechanisms through the 48 separate State organizations does assume more than a mere "common purpose" to help win the war. That "common purpose" must extend not alone to major objectives, but to subsidiary policies and administrative methods. It must include acquiescence in the determination of these at a central point. It must

<sup>&</sup>lt;sup>22</sup> "Cooperative Government in Wartime," Public Administration Review, II, 95-103 (Spring, 1942), p. 103.

be strongly and continuously felt to secure administrative uniformity in a setting of governmental independence and—in many areas—of political disagreement. Where there is doubt that the common purpose will exist in sufficient intensity, either as to program objectives or as to administrative techniques, the government responsible for results nationally will incur grave risks in delegating its responsibility to autonomous authorities.

#### CHAPTER

#### III

# The Organizational Pattern in the Field Offices

The preceding chapter traced the evolution of the hierarchy of offices and the formal establishment of national control over the entire field structure. This chapter takes up the related problems of allocating duties and securing coordination in the regional and district offices, so far as rationing was concerned.

The organization within the field offices <sup>1</sup> tended to follow the pattern developed in the national office. For this reason, the discussion of field organization must be related to the division of duties in the parent office.

The size of OPA's job, the diversity of its tasks, and the variety of special competences required, called for very extensive division and specialization of duties and created difficult problems of organization and coordination. Among these were:

(1) The major principle for allocating the responsibility for program development—whether according to function (i. e., price control, rationing), or according to commodities dealt with.

(2) The extent to which responsibility for administrative operations should be centralized—and thus separated from that for policy development.

(3) The manner in which special operations such as enforcement or accounting services, requiring particular skills or distinctive types of activity, should be organized, including the point or level in the organization at which these operations should be coordinated with the main line of responsibility for program determinations.

(4) The method of directing and supervising the successive geographical levels in the field organization.

Major developments relating to the first three of these problems

<sup>&</sup>lt;sup>1</sup> The term "field offices" is used herein, as it was in OPA, to apply to regional, State, and district offices, but not to local boards.

are discussed below under the heading "Organizational units," and the general solutions for the fourth under the succeeding section on "Lines of control over field office divisions." <sup>2</sup>

#### 1. Organizational Units

#### Early Organization in Washington

Even before the beginning of rationing OPA had inevitably moved toward a specialization of its tasks. Thus by the end of 1941 a Price Division, a Legal Division, an Administrative Service Division, a Consumers Division, and a Division of Field Operations were already in existence.

The Price Division was divided into 14 sections (later called branches). One of these was planning for rent control; each of the other 13 was assigned responsibility for price control over designated groups of related commodities. The division of duties within the Legal Division mirrored this commodity structure within the Price Division.

The first rationing regulations thus were developed by the price and legal branches having jurisdiction of the commodities involved. Kenneth Galbraith, head of the Price Division, had for months urged that the functions of supply allocation and price stabilization should be handled by the same people to assure their exercise toward unified objectives. Thinking to retrieve this aim after a prior defeat, and confident that the agency which got the first rationing assignment would get the rest too, he had taken a decisive part in the tire freeze order issued by the Office of Production Management which precipated tire rationing. Leon Henderson said that "the task of administering the tire program was delegated to OPA for several reasons, paramount among which is the close relation between the problems incident to price control and to rationing." <sup>3</sup>

During February 1942, opinion among Leon Henderson's advisers, fortified by some initial experience of the size and complexity of the task of launching rationing, moved in the direction of separate divisions for rationing and rent. By March these activities (except in typewriter rationing) were separated from the commodity branches working on price schedules, and in April, the decision was crystallized in favor of three coordinate divisions, ultimately called departments, for the three major functions of price, rationing, and rent.

<sup>&</sup>lt;sup>2</sup> On the latter topic see also ch. VII.

<sup>&</sup>lt;sup>3</sup> PM, 1960, December 29, 1941. See *The Beginnings of OPA* (Washington, 1947), p. 48. <sup>4</sup> The final development was indicated on an approved organization chart of April 22,

<sup>&</sup>lt;sup>5</sup> By Administrative Order No. 3, issued May 2, 1942, the major subdivisions in the Washington office were called departments. This lasted only 4 days, for a revision of

In addition to the commodity staffs and attorneys who planned and framed the regulations, the Division of Field Operations had an important share in launching the early rationing programs. It was assigned the task of seeing that the necessary local organization was established. Through its Commodity Distribution Section, it prepared the instructions, forms, and information needed by the local boards. It was the channel for contact with the State organization. Thus, the preparation of field operating instructions and the planning and supervision of field operations were to a large extent separated from program planning.

Antagonism between the Division of Field Operations, on the one hand, and the commodity branches and the attorneys, on the other, developed quickly. The Commodity Distribution Section was chiefly interested in operations at the local level, and began to question the administrative feasibility of plans developed by the program experts. The program specialists, on the other hand, thought that they should control, if not actually prepare, the field instructions. They resented objections to their plans from those whose preoccupations were primarily with the mechanical phases of the programs, and they complained that the monopoly on communications with field offices enjoyed by the Division of Field Operations resulted in an intolerable bottleneck. In addition to this antagonism, there was also conflict between the Price and Legal Divisions on the one hand, and the Division of Field Operations on the other, over the extent of control each would have over the emerging regional offices.

A drastic revision in the organization and allocation of functions relating to field operations therefore occurred in April, coincident with Frank Bane's retirement. One aspect of the change, indeed, was made on his recommendation. He argued that the supervision of field operations should be recognized as a major part of the responsibility for general operations and placed under an executive director, senior deputy administrator, or general manager. This plan was accepted by Leon Henderson in the conference in which it was suggested. The supervision of the regional administrators became part of the responsi-

Administrative Order No. 3 on May 6, 1942, reinstated the word division for the major subdivisions. However, on September 1, 1942, by a second revision of Administrative Order No. 3, the term department was again adopted.

It is appropriate here to clarify use of other terminology. By Administrative Order No. 3, as revised September 1, 1942, departments were to be headed by deputy administrators (or the general counsel), divided into divisions headed by directors, these in turn being divided into branches headed by chiefs or executives. In the field the major subdivisions were called divisions. We must, therefore, write Rationing Department when referring to the Washington office and Rationing Division when referring to field offices. In the field offices heads of the major divisions were called executives, except that for a time the word officer was used in State and district offices. The term executive is here used uniformly. The title regional administrator was substituted after a time for regional director; the title State director was used as long as there were State offices; and the title district director supplanted the term district manager.

bility of the Senior Deputy Administrator. The Division of Field Operations was abolished. Thus, the central line of contact and supervision over field operations was transferred from a division coordinate with the program divisions and made to stem from the

Administrator's alter ego.

Since plans were simultaneously being developed for retail price control and the assumption was that the local boards would also have some duties in that connection, it was inevitable that a voice in the supervision of local board operations should be retained in a separate organizational unit. An assistant on local boards was placed in the Senior Deputy's office and the functions of an Office of Local Board Operations were outlined. It was provided that "The Director, as a staff assistant to the Senior Deputy Administrator, should be responsible to that office for developing and, through the field organization, generally supervising the execution of basic policies and plans for the organization and operation of the War Price and Rationing Boards."

Various changes were made through the succeeding years in the titles and exact organizational position of the officials having authority over field operations as a whole and over the organization and administrative operation of local boards, but the functions remained always in

persons closely attached to the Administrator's office.8

On the other hand, the task of preparing field instructions on program operations, which had been performed by the Commodity Distribution Section of the Division of Field Operations, was transferred in April 1942, to the Rationing Department. From that time it was the responsibility of that department to develop both rationing policies and operating procedures, including local board instructions on program operations. And although the executive officer of the department, through a staff of some size, assisted in the development of operating procedures and exercised a coordinating function with respect to the administrative feasibility of proposed arrangements, primary responsibility for all program planning was delegated to the divisions and the branches of the department. Moreover, with the recruitment of a rationing field force already under way, the Rationing Department and its units were given a means of participating in field operations.

So far as rationing was concerned the organization which developed in the national office by May 1942 showed two main features. The first related to the primary line of responsibility for developing rationing

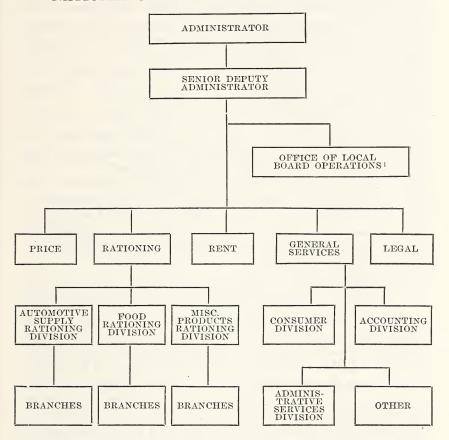
<sup>6</sup> Administrative Order No. 28, June 29, 1942.

8 For an outline of these changes see p. 127.

<sup>&</sup>lt;sup>7</sup> The title of the local boards was changed officially to War Price and Rationing Boards on April 17, 1942.

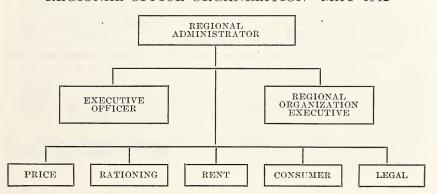
#### CHART II

#### NATIONAL OFFICE ORGANIZATION—MAY 1942



<sup>&</sup>lt;sup>1</sup> Formally established June 29, 1942.

#### REGIONAL OFFICE ORGANIZATION—MAY 1942



policies and procedures, and the second to service operations and special professional services. The primary line followed a familiar pattern of hierarchy. Initial responsibility for each commodity or group of commodities (such as meats, fats, and oils, which were rationed together) was delegated to a branch, which became the basic unit of operation. These program or commodity branches were linked together in divisions and these again in a larger unit of federation called the Rationing Department. In turn, the three larger program unities—rationing, price, and rent—were combined in OPA. The system might be described as a multilevel federalized structure.

At each successive level of coordination there were some separately organized services. For the agency as a whole, these came to be organized by May 1942 in the Office of the Senior Deputy, the Legal Department, and in a general services department which included administrative services, accounting, consumer education, and other activities. For public information work such as the preparation of press releases the agency still depended on the Office for Emergency Management, and for space, equipment, duplicating facilities, and the like, on Central Administrative Services, an offshoot of OEM.

#### Early Organization in the Field

The earliest plans for a field organization, completed by November 1941, called for a structure for the regional and "branch" offices similar to that which had already developed in the national office.9 In the regional office a regional director was the administrative head; he also had charge of public relations. Although responsible to the Administrator, his main line of contact was with the Division of Field Operations. He was assisted by an executive officer, who acted as deputy in his absence, served as budget officer, and handled administrative services not supplied by Central Administrative Services. The Price, Legal, and Consumer Divisions were represented by regional executives and their staffs. The staff of the Price Division included representatives of commodity branches in the Washington office. Appointments to these positions were often made by, and at that time always required the specific approval of, the head of the corresponding organizational unit in the national office—an arrangement designed to insure proper qualifications in key positions but one which diluted the authority of the regional directors considerably. There was also a group of inspectors whose function was to obtain information from individual firms or persons, on request either from the Legal Division for enforcement purposes, or from the Price Division to provide data needed in

<sup>&</sup>lt;sup>9</sup> Tentative Instructions for the Operation of Regional Offices, November 25, 1941. The instructions followed closely a plan submitted to Leon Henderson by E. J. McCormack on September 29, 1941.

the formulation of new regulations. These were supervised by the regional inspector, who was responsible to the regional director.

With the organization of a Rationing Department and the abolition of the Division of Field Operations new organizational units for rationing quickly developed in the regional, State, and district offices. Regional representatives of the Rubber Branch of the Price Division, who had been working both on price and rationing—but chiefly on tire rationing—were moved out of the Price Division at the beginning of April.<sup>10</sup> At the end of April, sugar rationing specialists were sent from Washington to regional and State offices. Gasoline rationing specialists were also being recruited for field service. Thus, the pattern already developed in field price operations and foreshadowed in the appointment of tire representatives was extended to rationing. Commodity specialists in the field offices would represent the various Washington commodity branches. Plans were also soon developed for these men in the field to serve under a rationing executive who would hold a position similar to that of the price executive in the field offices.

In addition, the positions of regional organization executive and State organization officer were created. These officials would have the responsibility of seeing that an adequate organization was developed and maintained at the local board level for performing the functions assigned to boards in the price and rationing programs.

These new units of field organization and newly established rent and accounting divisions, added to the structure planned by November 1941, provided the basic organizational pattern for subsequent field operations. Except for the Accounting Division, the units and their responsibilities were defined in Administrative Order No. 4, issued May 7, 1942.

This order carried to the field the basic lines of specialization and responsibility which had developed in the Washington organization. In each regional office it provided for a number of divisions to function

<sup>&</sup>lt;sup>10</sup> One man had been sent from Washington to each regional office. These men were told about the separation of rationing and price at a conference in Washington on April 1, and were allowed to choose whether they preferred to serve in the new Rationing Division or in the Price Division. The minutes of this conference show considerable confusion as to the exact type of organization which was to develop; they do not suggest that these men would serve under a rationing executive as they had previously served under a price executive.

<sup>&</sup>lt;sup>11</sup> In the early days accounting personnel was located in the Price Division. As late as April 22, an organization chart shows an accounting unit reporting to the Deputy Administrator for Price, but another chart dated May 6, 1942, shows a separate accounting division. There had been much controversy, both in Washington and in the field, over the location of the accounting unit, but by May 1942, the problem was settled in favor of autonomy. There was to be an accounting department in Washington and regional, State, and district accountants were to serve under executives reporting to the administrative heads of their respective offices.

under the administrative coordination of a regional administrator who was responsible to the Senior Deputy Administrator.

A large measure of responsibility was placed upon the rationing, price; and rent executives as heads of the three program divisions. In language which seemed to deny the division of responsibilities inherent in the structure and prescribed by the order, Administrative Order No. 4 said: "The regional rationing executive, under the general direction of the regional administrator, shall be responsible for all rationing operations in the region." The order further provided: "In exercising this responsibility the regional rationing executive shall supervise the work of the commodity rationing specialists assigned to the regions."

Success in the conduct of "all rationing operations" depended upon the service and collaboration of several other executives. A regional executive officer was "responsible to the regional administrator for all general administrative management and service operations." regional organization executive was "charged with specific responsibility for planning and general control of the organization, location, territorial jurisdiction, personnel, space, equipment, and similar aspects of the War Price and Rationing Boards within the region." The regional consumer relations executive was "responsible for maintaining contact with consumer groups, with educational organizations and institutions, and with other public and private organizations and agencies comprising the general buying public; supplying information to consumers:" etc. The regional attorney was legal advisor to the regional administrator and the other executives, and had the following specific responsibilities: "He shall supervise the work of all attornevs within the region and shall be responsible for all interpretations of statutes, Executive orders and, with the cooperation of the regional price, rationing, and rent executives, of interpretations of price, rationing, and rent regulations and orders. He shall likewise be responsible for all other legal aspects of price, rationing, and rent operations within the region and shall function as the chief compliance and enforcement officer of the region, having responsibility for compliance with the regulations and orders, and for settlement and litigation relating to violation."

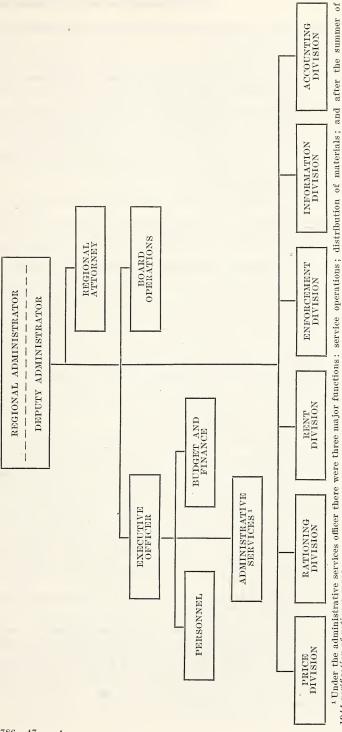
Counterparts of each of these divisions were provided by Administrative Order No. 4 for the State and district offices, except that no organization division was as yet provided in the latter, since local boards were still under the direct supervision of the State offices.

#### Further Development of Organization and Relationships

In each of the five fields of administrative services, board relations, consumer education, legal advice, and enforcement, subsequent changes

# CHART III

REGIONAL OFFICE ORGANIZATION AT THE END OF 1943



1944 verification of ration currency.

NOTE ON DISTRICT OFFICE ORGANIZATION: The organization in the district office corresponded to that in the regional office except that there was no official similar to the regional attorney and there were no units in the district office concerned with distribution and verification functions.

in structure and responsibility modified the arrangements set out in Administrative Order No. 4.

The first of these came when the functions of consumer education and issuance of press releases were combined. An Office of Information had been created in the national office in the summer of 1942, when the informational activities of the Office for Emergency Management were transferred to the Office of War Information and the war agencies. On October 5, 1942, the Office of Information in OPA and the Consumer Division were united in an Information Department under a deputy administrator. Following this an Information Division was set up in the field offices.

The division of labor between the commodity specialists and the Information Division in the field was fairly well marked and generally understood and observed. The program divisions, operating through the commodity specialists, were responsible for informing the trade through trade committees, meetings, conferences, and bulletins on the requirements of regulations and the reasons for OPA actions. In addition to absorbing the work (and much of the personnel) of the old Consumer Division, the Information Division conveyed information through the press, radio, and other media to the general public, and released information to the trade press. At first there was some confusion due to the plans of the department for extensive trade relations work by its field representatives; but it was soon recognized that the commodity specialists in the price and rationing divisions were by reason of their background and work the natural and inevitable channel for trade contact and information.

In the national office there was recurring, sometimes continuous, antagonism on policy and jurisdiction between the program divisions and branches and the attorneys in the Legal Department—sometimes resulting in open and unresolved conflicts. In the field offices the precise working relationships between the program divisions and the Legal Division varied from office to office. At both levels the ease with which their joint activities were conducted depended largely upon the personal relations between the two staffs. There were always jurisdictional difficulties in some offices over the handling of certain types of public inquiries and over clearance of outgoing mail, and conflicts between program executives and attorneys had to be carried to the heads of the offices.

This problem was not resolved until Chester Bowles, as General Manager, issued Revised Administrative Order No. 79, on September 14, 1943, although Administrator Prentiss M. Brown had forecast the solution in a public statement some three months earlier. In a memo

<sup>12</sup> Administrative Order No. 35, revised.

to the staff, Bowles summarized the most significant changes made by the revision of this order:

First, we have established a legal organization within each of the present operating departments, subject to the jurisdiction of the operating head, both in Washington and in the field. Primary responsibility to plan the work program and to carry it through to a successful conclusion has been placed in the different operating units. We have given to the legal units the responsibility to see that the regulations and orders prepared are in accordance with statutory requirements and the legal processes and standards developed to meet such requirements.

Second, there has been established a separate enforcement department in Washington and enforcement divisions in the regional and district offices. This places enforcement on the same organizational plane with price, rationing, and rent in all our offices.

Third, we have redefined the responsibilities of the general counsel and the regional attorneys. We have also eliminated the positions of chief attorneys in district offices. \* \* \*

Under the new organization a regional attorney remained as the advisor of the regional administrator, although several of the original incumbents retired as a result of this and other factors. In the regional and district offices a Rationing Legal Section was established within the Rationing Division.<sup>13</sup> Henceforth, all legal work done for the Rationing Division in the field was done within the Rationing Division, except for the remaining independence of the enforcement activities. The staff of investigators and enforcement attorneys were under the jurisdiction of a division head who reported directly to the district director or regional administrator.

The independence of the enforcement function was a significant feature in OPA's operations. Subject only to the direction of the Administrator or his senior deputy, the regional administrator or the district director; as the case might be, the Enforcement Department in Washington and its counterpart in the field offices had full authority to determine areas of emphasis in enforcement programming, to decide on timing of enforcement campaigns, to allot manpower, to choose cases for enforcement action, and to settle individual cases.

Independence raised serious problems both in Washington and the field. In all of OPA's programs the correlation of program develop-

<sup>13</sup> The same change was made with respect to Price and Rent Divisions. Also, in the Washington office an associate general counsel headed a Legal Division within each of the three program departments. To safeguard the right of counsel to object, section C on "Procedure on actions, the legal propriety of which is in dispute," provided:

<sup>&</sup>quot;(1) If the operating head of the division or branch decides to take administrative action to which his counsel objects on legal grounds, he shall attach to the document containing the action, a statement written by the counsel setting forth the legal objections. The deputy administrator, after consulting his department counsel, shall then determine what action shall be taken.

<sup>&</sup>quot;(2) In any instance in a regional or district office where administrative action is taken contrary to the advice of counsel, the counsel may report such action to the regional attorney who shall call it to the attention of the regional administrator."

ment, trade education, and enforcement activities was desirable. In rationing, there was the further factor that enforcement had to help make the currency control and flowback system work, and this required close collaboration with the administrative units responsible for audits of records, verification of currency, etc.

The planning of enforcement activities was highly centralized, with enforcement drives and allotment of field manpower among the several commodities being outlined in Washington. Nevertheless, there was a broad area for cooperative working relationships in the field offices.

This cooperation between the enforcement and the program divisions was imperative partly to insure that there was correlation, or at least no conflict, between the trade relations activities of the commodity specialists and the campaigns conducted by the Enforcement Division and partly to insure that information possessed by the commodity specialists on business operations in special areas and on the compliance history of particular firms was made available to the enforcement attorneys. Lip service at least was given to this goal everywhere. But for a long time the practice of consultation was on an ad hoc basis, depending largely upon the initiative and tact shown by local executives, and success was sporadic. Later there was a national plan for intra-agency compliance committees functioning under the authority of the regional administrator or district director. However, these committees came too late to destroy the attitudes of separateness, and even of distrust, which had developed. Moreover, they were of varying effectiveness and normally their utility was mitigated by the knowledge that they were vehicles of consultation only, since the deciding authority remained with the Enforcement Division.

In rationing, some tasks simply had to be carried out cooperatively by the two divisions, as for example, the bail-out of dealers in gasoline and fuel oil whose allowable inventories were reduced, verification of ration currency, and the shoe inventory program. In such cases, there was always some difficulty in delineating separate authorities in Washington instructions. Usually the exact relationships varied somewhat from office to office, and sometimes strained relationships or lack of cooperative practices in particular field offices weakened the intensity and effectiveness of the joint effort.

Gradually there developed in the field some tendency of each division to shift the blame for any ineffectiveness in program operations to the other. The feeling was common among commodity specialists that the Enforcement Division would not take sufficiently strong action, and particularly would not cooperate in pressing cases referred by the program divisions; <sup>14</sup> on the other hand, there was widespread

<sup>14</sup> For further discussion of this viewpoint, see p. 133.

belief among enforcement attorneys that their work was made more difficult because of the ineffectiveness of the trade relations activities of the operating divisions, and that commodity specialists were inclined to be "soft" toward "their" trade.

In another area where separate jurisdiction was outlined for two field divisions, that of board instruction and supervision, the relationships were so complex and shifting that discussion is reserved for a separate chapter. Nevertheless, two things should be recorded here. First, beginning—after the break-up of the Division of Field Operations in Washington—with an allocation of responsibility for service or housekeeping operations at local boards to the organization executives, and of responsibility for instruction and supervision on program operations to the Rationing Division, the responsibility of the units headed by organization executives was extended initially to a general managerial responsibility and finally to responsibility for proper performance of program operations.<sup>15</sup> On the whole, the rationing and price divisions carried the responsibility for program operations in local boards until late in 1944, when the functions of these divisions were restricted to collaboration with and assistance to the board executives.<sup>16</sup> Second, on no problem was there so much continuous discussion and difference of opinion as on this problem of contact with and supervision of local boards. The problem of defining lines of contact between one level of field office and another was particularly difficult of solution in a system of community volunteer participation. It became and it remained administrative problem number one in field operations.

The administrative operations, conducted under the supervision of the regional executive officer, were unusual in scope and size. In addition to the normal functions of budget and fiscal management, personnel, space, equipment, and supplies, the regional executive officer was responsible for two large administrative service operations conducted from the regional office. One was the distribution of regulations, forms, and other duplicated materials from the nine distribution centers established late in 1942. For the rationing program this was a task of tremendous magnitude. It involved not only the problem of currency distribution, but also of safeguarding, which was done under standards set by the Enforcement Department in Washington in consultation with the Rationing Department. The other function was the verification of currency which had passed

<sup>&</sup>lt;sup>15</sup> See ch. VIII.

<sup>&</sup>lt;sup>16</sup> The title of the regional organization executive was changed in 1943 to "board operations executive," and at the end of 1944 to "board management executive." Similar changes were made in the titles of the district office staff.

<sup>&</sup>lt;sup>17</sup> One in each regional office except region V, which had two, located in Dallas and Kansas City, Mo. See appendix B.

through marketing channels, to determine whether it was counterfeit or stolen, and whether the amount of currency for which credit was given at the bank had actually been deposited. This was a mechanical activity of considerable size, performed in regional verification centers by the regional administrative services officer—a member of the executive officer's staff <sup>18</sup>—for and under directions from the rationing and enforcement departments.<sup>19</sup>

The interlocking participation of the various divisions may be illustrated by following the typical cycle of a gasoline coupon. These coupons were distributed to local boards 20 by distribution centers, operated by administrative service officers, with some check by the regional and district office statisticians in the Rationing Division on quantities required; protected at the distribution center, at the local board, and in transmission, under safeguarding standards set up by the enforcement staff; issued by the local board under instructions contained in the Loose Leaf Service and under supervision from the rationing or board operations staffs of the district office; accounted for by the local board under standards prescribed in the national office and carried out at the local board under supervision of the board operations staff, assisted by auditors from the Accounting Division, and with technical aid from the ration currency officer in the Rationing Division of the district office; passed into trade channels, to be handled by dealers kept informed by the district office commodity specialists of the Rationing Division; received by banks operating under the supervision of the ration currency officer in the Rationing Division of the district office; and transmitted by the bank to the verification center, operated by the administrative services officer of the regional office, for "proofing" of the deposit and for a check on counterfeiting or theft. In addition to these steps, there were other complicating possibilities, such as a report of an overdraft to the Rationing

<sup>18</sup> This was true until April 1945, when the executive officer's position was abolished and a group of management divisions created.

Early in 1945 a similar debiting program was initiated for the sugar program to combat counterfeiting in that field. In meat, processed foods and shoes, less complete debit programs were operated from the district office.

See Joseph A. Kershaw, A History of Ration Banking, ch. VII. OPA Series of Historical Reports on War Administration, General Publication No. 2, Washington, 1947.

<sup>20</sup> Until the issuance, as distinct from the determination of eligibility, was shifted to centralized mailing centers in some areas. See p. 169.

<sup>&</sup>lt;sup>16</sup> In gasoline the verification centers handled the clerical work involved in debiting dealers' accounts. When the centers found counterfeit or stolen coupons, debit notices were sent to the dealer who had taken the coupons, to his supplier who had made the deposit in the bank, to the district office, and to the local board, the latter two of which kept the inventory record of the dealer. It was then incumbent on the supplier who made the deposit to obtain valid currency from the dealer with which to make his deposit good at the bank. Until the dealer surrendered valid currency he was not permitted to receive nor was his supplier permitted to deliver any gasoline; when he did so his ration capital was reduced correspondingly. After this system was installed dealers had a 'strong motive not to accept illegitimate coupons.

Division of the district office by the drawer's bank, followed by notice to him by the ration currency officer or action by the enforcement Division; or a notice from the verification center to a dealer who had accepted counterfeit currency to replace the currency with other coupons, followed, perhaps, by enforcement action. And amidst all this activity the Information Division had to keep sufficiently informed to make its effort to obtain public understanding of rationing.

#### Some Comments on Organizational Development

Among Federal agencies, it is customary to organize separate units to handle service activities and special professional functions, such as legal advice and representation, and release of public information. In this respect, OPA followed established administrative patterns. Furthermore, with the separation of price, rationing, and rent in three departments, and their operation as distinct programs, it was inevitable and desirable to consider the advantages to be obtained from the use of common services and professional units. An accounting staff serving three programs could maintain greater flexibility in using its facilities, which might be needed at one period for aid on price or rent adjustments, at another period for accountability checks for rationing. Assuming the use of the same local boards for both price and rationing, it was inevitable that certain supervisory tasks, relating to housekeeping and general management, should be put in a single service organization. A single enforcement division made possible a flexible use of investigators and attorneys, and provided opportunities to check price and rationing violations at the same time, and to combine prosecution for both types of offenses in appropriate cases.

Nevertheless, there can be no escape from the conclusion that defects in organization planning hampered successful program operations, both in Washington and in the field. The long delay in placing the attorneys who were responsible for drafting and interpreting regulations and supplying legal advice under program executives led to deep-rooted antagonisms in the national office and delayed the establishment in the field of smooth working relationships at the point where close coordination was most necessary, namely, between the commodity specialists who brought industry information to the programs and the attorneys who supplied interpretations. Also, the long and inconclusive discussions on the proper allocation of responsibility for supervision of local boards deepened conflicts and led to uncertainties where cooperation and continuity were necessary.<sup>21</sup>

One effect of the organization of common services was to emphasize the need for unified planning and evaluation for each of the

<sup>22</sup> See ch. VIII.

three programs. In the administration of rationing the Enforcement Division might measure results by the number of investigations and number of cases successfully prosecuted, the Rationing Division in terms of a cooperative trade, and the board operations staff in terms of lack of conflicts with the local board personnel: but who would focus attention on whether field operations were producing the results anticipated by the decision to ration? This might have been done in one of two ways, either of which would have recognized the importance of the staff function in the field. The district director and regional administrator might have been provided with staff assistance on program operations. Or the rationing executive, assisted by a strong statistical analysis unit, might have considered himself as the over-all staff aid of the district director or regional administrator on all matters affecting the operation of rationing in his geographical area. To an extent, rationing executives did recognize this responsibility, but the concept of the complete equality of all divisions and the reality of division isolationism meant that the program executive's efforts to bring unity into operations through his own planning were doomed to ineffectiveness.

But the most significant effect of the organization of common services for the three programs was to stress the need for coordination by the administrative head of the office. Division of authority below creates the need for coordination at the next higher level. The organization of units outside the program divisions moved the big problem of coordination from the program executives to the administrative heads of the offices. How well did OPA provide for this coordination? This is the subject of the next unit in this chapter.

#### 2. Lines of Control Over Field Office Divisions

In Federal practice there has been a tendency toward a "large number of separate field offices spawned by each bureau and even by divisions within bureaus." <sup>22</sup> In OPA this tendency was reversed; field administration of rationing—originally established separately—was joined with that of price and rent, the system of linking programs at two or more levels which existed in Washington was moved downward to the field offices, and an extensive set of common or specialized services were provided outside the major program units.

<sup>&</sup>lt;sup>22</sup> John D. Millett, "Field Organization and Staff Supervision," in New Horizons in Public Administration (University, Alabama, 1935), p. 97. For an example of such "spawning" see David B. Truman, Administrative Decentralization: A Study of the Chicago Field Offices of the United States Department of Agriculture (Chicago, 1940), particularly the chart at p. 61 and the accompanying discussion in ch. IV.

Where divisions corresponding to those in the central office exist within a field office, two systems were long ago distinguished by W. F. Willoughby. "In the one," which he called the unitary system, "the line of authority runs from these divisions to the officer in charge of the field station and from him to the central office at the seat of government; under the other, the line of authority runs direct from the division head to the head of the corresponding division in the central office," and the separate units in the field organization are "enly loosely held together for matters of general administration by the authority of the head of the station." <sup>23</sup>

In the decentralization of large programs the relationships are frequently much more complex than those presented in Willoughby's contrast. Macmahon and Millett have advanced a "new theory of hierarchy, a theory recognizing the reality and justifying the practice of dual supervision." They argue that "The general administrator has just as important a role to play in the field at the lower levels of the hierarchy as he has at headquarters;" but the authors add: "Yet a theory of hierarchy that seeks to confine the specialist at the upper levels to an advisory relationship when dealing with his counterparts above and below likewise encounters difficulties." They conclude: "The theory of hierarchical decentralization should openly proclaim that lines of authority in the organization are frequently dual or even multiple, that the reaction of technology on administration is apt to increase the proportion of situations in which such conditions exist, and that the arrangement of structure and the training of personnel must provide for nicely balanced loyalties." 24

These conclusions, based upon the experience of the Works Progress Administration and the Resettlement Administration, are reenforced by experience in OPA. Within OPA multiple lines of supervision developed at the beginning and were retained through the life of the

agency.

Where dual or multiple lines of supervision exist there is a problem of defining the relationships between the lines of supervision. In OPA there was a strong line of contact between the rationing divisions in Washington and the commodity specialists representing them in the field, and sometimes between branches in Washington and their counterparts in field offices; but the overriding supremacy of the heads of the Rationing Division in the field offices over these commodity specialists was established, in theory at least, from the beginning. The relationships between the departmental line of supervision

 <sup>&</sup>lt;sup>23</sup> Principles of Public Administration (Washington, 1927), p. 156.
 <sup>24</sup> Arthur W. Macmahon, John D. Millett, and Gladys Ogden, The Administration of Federal Work Relief (Chicago, 1941), pp. 265-266.

(from department head in Washington to division head in the field) and the "administrative" line (through regional administrators and district directors) were more difficult to define.<sup>25</sup>

The paper definition of the relationships between these two top lines of supervision differed materially in the period prior to and the period after September 1943. Emphasis was placed in the early period on the independence, if not supremacy, of the departmental (called "technical" or "program") line of supervision; in the second period, however, OPA directives sought to establish the overriding supremacy of the administrative line. In the succeeding discussion the relationships prescribed in the periods are summarized and analyzed.

The plan of organization set out in Administrative Order No. 4, issued May 7, 1942, contained two types of limitations on the regional administrators and State and district directors. First, their participation in selection of subordinates was limited, and second, a strong line of direction from divisional executives from one level of field

offices to another was intended.

The regional administrator and his counterparts in the other field offices had power to appoint the executive or administrative officer and the organization executive. Concerning other division heads, Administrative Order No. 4 said:

The regional office technical staff, consisting of the regional attorney, regional price executive, regional rationing executive, regional rent executive, and regional consumer relations executive, together with their subordinate staff, shall be selected by the respective operating divisions of the national office; but no such person shall be appointed or assigned to the regional office without previous notice to and the consent of the regional administrator.

As for State office technical staffs, the selection was to be made by "the operating divisions of the national office, or by the regional representatives of such divisions where the authority has been so delegated;" but again notice to and consent of the State director was required. The same type of provision, providing for selection by the national office operating divisions, unless delegated to regional or State representatives, applied to the district office technical staffs. However, the State director was given the full authority to select and remove members of local boards.

On direction of activities, Administrative Order No. 4 contained the following statement on regional office technical staffs:

With respect to their general operations, such technical personnel shall be subject to the general direction of the regional administrator, but on such technical

<sup>&</sup>lt;sup>25</sup> In this chapter our discussion has been limited, for purposes of simplification, to the relationships between the two top levels in the administrative organization in the field offices, leaving until later chapters the explanation of other relationships. For organization within the Rationing Division in the field offices see ch. IV, and for an explanation of the multiple lines of supervision over field offices see pp. 125–129.

nical matters as may subsequently be defined, they shall be subject to the direction of their respective operating divisions in the national office.

Similar provisions provided for direction to technical staffs in district and State offices from the technical staff of the next higher level of office.

A further directive of July 29, 1942,26 expanded the statement on methods of appointment and delegated some appointive authority to personnel in the field offices. In the regional office, the four executives for the price, rent, rationing, and consumer divisions, and the regional accountant, were to be appointed by their respective counterparts in Washington, subject to the approval of the regional administrator. Personnel serving under these officials, if classified above CAF-12 or P-5, were to be appointed by the regional executive with approval of the regional administrator and the deputy administrator in the national office, and otherwise by the regional executive with the approval of the regional administrator. In the State offices, heads of program divisions and the consumer representative and State accountant were to be appointed by the appropriate division head in the regional office with the approval of the regional administrator and the State director; other technical employees (including rationing specialists) by the head of the appropriate division in the State office, subject to the approval of the State director and the head of the appropriate division in the regional office. The regional attorney was to be appointed by the general counsel subject to the approval of the regional administrator; and all other attorneys by the regional attorney or his designee, subject to the approval of the general counsel and the head of the office to which the attorney was assigned. On the other hand, the executive officer (and administrative officer in the district office), personnel officer, budget officer, and organization officer in the regional and State offices were to be appointed by the head of the office, subject to approval of the persons having responsibility for these functions at the next higher office. State directors were now to be nominated by the regional administrator and approved by the Price Administrator; and district managers by the State director, subject to the approval of the regional administrator and the senior deputy administrator. Finally, in the district offices, heads of the "technical" divisions were to be selected by the district manager, subject to the approval of the head of the appropriate divisions in the State and regional offices.27

Under these appointive arrangements, and with the statement of

<sup>&</sup>lt;sup>26</sup> Field Administrative Letter No. 7 (revised). This directive contained the statement that it superseded the provisions of Administrative Order No. 4 in conflict therewith,

<sup>&</sup>lt;sup>27</sup> There were not during the development of early traditions many district offices. The 48 State offices later became district offices.

dual responsibility of "technical" personnel, the control of regional administrators and State directors over program divisions, and the consumer, accounting and legal divisions, was weak. The concepts of division independence and of responsibility to the division head at the next higher office permeated the organization all the way to the district office. To correct this weakness and to strengthen the administrative line, Administrative Order No. 4 was revised in significant respects on September 2, 1943.

On appointment and dismissal of regional office technical staffs

revised Administrative Order No. 4 said:

The regional administrator shall have full authority, in accordance with established civil-service procedures, to appoint and remove all members of the regional office staff.

In the appointment and removal of regional division executives the regional administrator shall consult the appropriate national office deputy administrator. The appropriate national office deputy administrator may nominate qualified candidates for consideration of the regional administrator, and is responsible to inform the regional administrator of inadequate technical performance of regional division executives.

In the appointment and removal of subordinate regional office technical staff, the regional administrator shall, in all cases, consult the appropriate division executive in the regional office.

The revised order further provided that the district director should be appointed by the regional administrator, 28 and provided for the appointment of district office personnel by the district director under the same conditions concerning clearance with the regional administrator and divisional executives as were imposed upon the regional administrator in regard to national clearances.

The regional administrators and district directors were given full authority for direction of all OPA operations in areas subject to their jurisdiction. The right of national office departments to communicate directly with divisions in the regional office was, however, retained, subject to the provision that division heads in the regional office would inform the regional administrator of any communications received directly which were of concern to him.

It appears to the author that the complete integration of authority in the regional administrators and district directors, contemplated by revised Administrative Order No. 4, was desirable for several reasons. First, operating executives were too busy with problems in their own offices and too remote from the details of operation at the next smaller geographical level of administration, to give adequate supervision and direction there. Second, a large number of local problems and local complaints were brought by the people of the area directly to the

 $<sup>^{28}\,\</sup>mathrm{These}$  appointments were customarily discussed also with a member of the Administrator's staff.

district director or regional administrator. It became increasingly difficult for the head of the office to maintain responsibility for public relations and general administration without also having program responsibility. The position of the head of the office became particularly anomalous as various types of discretionary authority, such as the issuance of general price orders and orders for adjustment of prices for particular concerns, were delegated to the regional administrator and the district director. The delegation of responsibility to these officials outran and outmoded the organizational system provided in the original Administrative Order No. 4. Finally, the division of responsibilities and the complexity of interdivisional relationships, which have been explained in this chapter, necessitated overhead leadership, coordination, and direction. Given the divisional organization which had developed, unity could be maintained only through the leadership of the head of the office at each geographical level.

It appears also that the delay in integrating authority had some unfortunate consequences. The first was a delay in the creation of machinery and habits of coordination in the field offices. There was, of course, much collaboration between the various divisions whose work needed to be coordinated, but the formal machinery of compliance committees and coordinating committees in field offices developed rather late. The difficulties in getting effective operation of these techniques was no doubt the result, in part, of the initial degree of division autonomy and the weakness of the administrative line of authority. Second, there was an unfortunate effect upon administrative heads of offices. Without an initial strong control over program operations, these tended to become public relations representatives of their offices. In the absence of emphasis upon their responsibilities for leadership and participation in program development and operations, it was natural that they should give their attention mainly to public relations, board relations, and purely administrative operations. It may be that the most unfortunate result of the early lack of integration was the delay in educating these officials for the monumental tasks which were to be imposed upon them in the price and rationing programs. Since many of these men had served in rationing from the beginning, this defect was more apparent in price operations. It may have been, however, that the difficulty in obtaining close adherence to rationing regulations in district offices can be attributed in some measure to the extent to which the district director's position was used as a public relations office in the early days.

A very considerable amount of attention was given at the national and regional offices to the problem of training district directors for the enlarged responsibilities placed upon them by revised Administrative Order No. 4. At the request of the Deputy Administrator for Field Operations, the training branch in the national office, with the cooperation of a few district directors, developed a training program for district directors. The materials emphasized the responsibilities for leadership and coordination. They were prepared in the form of charts. Regional administrators were asked to call special meetings of their district directors, at which meetings the district directors who had aided in the development of the program went over the training materials in detail. Moreover, the regional administrators adopted various techniques for assisting district directors. For example, in region V, the regional administrator carried his executive staff to several district offices where the weaknesses of each office were explored in detail and the district director advised on methods of improving operations in his district.

There was, moreover, an effort to outline methods of coordination in the field offices. The regional and district offices were urged to establish compliance committees composed of representatives of the Enforcement Division and the appropriate program divisions who were working in particular commodity areas. In 1945, the field offices were urged to set up coordinating committees, also organized on a commodity basis, and in 1946, an effort was made to activate the offices toward further use of these committees. Wherever these methods were successfully used, the task of interdivisional coordination was simplified and the burden of personal integration through the administrative head of the office was reduced.

#### 3. Summary

The separation of rationing and price in the internal structure of OPA probably tended to facilitate the operation of the programs.<sup>29</sup> Some administrative loss may have occurred from difficulties in staffing for two separate operations, but the techniques employed and the problems encountered in the two programs were so dissimilar that there were great advantages in enabling staff members to concentrate on problems peculiar to one program. The coordination of the two programs, achieved only through interdepartmental conference and common overhead control, while sometimes not as extensive as the related objectives of the agency would dictate, did not present a serious problem in daily operations.

In the field some dissimilarity in the types of activity in the two programs indicates the appropriateness of the decision which was

<sup>&</sup>lt;sup>20</sup> There is no intent here to express an opinion on the basic principle on which functions should have been allocated in the stabilization program. This problem involves issues broader than those discussed in this volume,

made. Although the trade relations activities of the rationing and price specialists in the field were identical, other activities were distinctly dissimilar. The field job in rationing was to a large extent an operating responsibility. It is doubtful whether the extensive administrative operations of the rationing program could have been combined with the analytical price functions at the regional and district office levels without adverse effects on both programs.

It should be noted that the commodity coverage in price was much more extensive than in rationing. Moreover, the price and rationing specialists in the field in each commodity area were so fully occupied that no real waste of manpower resulted from the establishment of separate groups of commodity specialists for price and rationing operations. There may have been some duplication in trade meetings, but on the whole the timing in the two programs was so different that it would not have been practicable to hold trade meetings at the same time.

Similarly, the decision to place responsibility for policy development and planning of operating procedures in the same units of erganization appears to have been sound. Not only did it terminate a conflict which had developed between program planners and the Commodity Distribution Section of the Division of Field Operations, but it laid the basis for unity in program planning. Policy issues cannot be determined in a vacuum without reference to administrative feasibility, and decisions on administrative feasibility need constantly to be made in terms of maximizing the achievement of policy objectives. Too much separateness in the consideration of the two makes for a tendency towards narrowness of viewpoint, artificiality in the weighing of factors, and lack of constant attention to all aspects of a problem. To a considerable extent these dangers were avoided by placing primary responsibility for policy and administrative techniques in one hierarchy within the rationing department.

This decision fixed the nature of the operations of the Rationing Division in the field. The Division reported to the national office on matters of substantive policy and served as the primary channel for field administration of the program. It did not, however, have the full responsibility for field administration; that was shared with a number of others, principally the Enforcement Division, the Information Division, the Accounting Division, the Administrative Services Officer, and the successive offices having partial or complete responsibility for local board operations.

This division of responsibilities was part of the larger pattern devised for administration of three programs in a single set of offices. Within the field structure, two organizational features were significant. One was the functional division of responsibility in regard to

each of the three programs among a number of separate divisions. The other was a multiple system of control which weakened the supervisory authority, and thus the coordinative and leadership functions, of the administrative heads of the field offices. These two features could not be reconciled. In the end, a drastic revision of the operating plan integrated all authority for field operations in the regional administrators and district directors at their respective levels of jurisdiction.

The paper revision in the operating plan brought no radical change in operations. Program lines of instruction remained strong, and district directors, selected in large measure on the basis of competence in public relations, found it difficult to grasp the entire operation for which they were responsible or to coordinate the various divisions. Gradually, however, the dependence of the field organization upon the administrative heads of the offices increased, partly because of the increased autonomy of these officials in filling vacant positions and partly because of the necessity of providing a measure of coordination in a splintered administrative structure.

To strengthen the administrative line sufficiently to provide the full measure of leadership and coordination needed would have required change in personnel in many offices. It was generally agreed in OPA that there were many weak directors and some weak regional administrators and also that the agency's policy on removal of ineffective administrative officials was weak. To a degree, this was due to the political strength of directors, and was part of the price paid by the agency to avoid political difficulties. Beyond that, however, the difficulty was one of obtaining men capable of performing satisfactorily the new and varied responsibilities involved in administering three programs, each of which was parcelled among the units of a complex organization.

There were several alternatives in basic organization. A "bureau" type of field organization, under which separate field offices were established for rationing, price, and rent, might have been chosen; the rent experience tended strongly in that direction. Or there might have been a separate organization for rationing below the regional office, in effect producing a bureau type of structure below that level; the original rationing structure was of that nature. Or some of the complexities of field administration might have been reduced by avoiding—in the national and field offices—some of the parcelling out of authority to common or special service units, thus placing a fuller measure of authority in the program divisions and accentuating the federal nature of the national and field offices; all three program departments would have applauded such a choice. Any of these steps, however, would probably have increased overhead costs, or at least

would have subjected the agency to attack on the grounds of duplication and inefficiency in the handling of common services.

Given the system of administration which did develop, with the use of common services for the three programs and the union of all under a single administrative official, a failure to achieve a strong line of leadership and control through such an official could only contribute to weakness in program administration.



#### CHAPTER

#### IV

## The Rationing Division

In spite of the division of functions, the central responsibility for the field administration of rationing remained in the Rationing Division in the regional and district offices. When its development was complete the Rationing Division was composed of an executive, specialists for the rationed commodities, attorneys, and specialists in a group of functions allotted to a Ration Currency Section, including ration banking, currency control, and statistical analysis.

#### 1. Functions of the Rationing Division

The Rationing Division in the district offices carried both supervisory and operating responsibilities. It had responsibilities in training and supervising the local boards. In addition, several types of operating duties were placed on the division at the district level.

The primary function of the regional office staff was, in general, to instruct, assist, and supervise the district offices. After the establishment of the complete field structure a consistent effort was made to keep all operating responsibilities at the district office and local board. There were, nevertheless, some direct contacts between the division in the regional office and the public, partly because the public insisted on approaching the regional office, partly as a result of regional office assistance in handling novel or difficult situations.

The Rationing Division in the regional office was also responsible for study and recommendation of methods of meeting area problems arising under the rationing regulations. The function of reporting on local effects and local reactions was shared by the district office staff, but the national office expected the regional rationing staff to have a positive role in recommending methods of improving operations and meeting acute local policy problems.

A considerable variety of functions was performed by the Rationing Division in the two levels of field offices. These are conveniently

discussed under the following headings: trade relations, board supervision, work with other governmental units, appeals, reporting to Washington, special activities, and participation in other office activities.

#### Trade Relations

The success of rationing depended to a large extent upon an informed and cooperative trade. If the value of butter was changed on Monday morning from 8 to 12 points per pound, or if the unit value of fuel-oil coupons was reduced in the middle of a validity period, the trade needed information quickly; otherwise, the regulations would be scraps of paper and commodities would not be fairly and effectively distributed. Again, the rationing regulations gave the dealer an "allowable inventory." 2 By this was meant that the dealer was allowed a working inventory of stock at the initiation of a program, and that he was responsible for preventing dissipation of this inventory by sale without obtaining an equivalent amount of valid ration currency, or by loss of stock or currency received therefor. If he failed to handle his stock and currency carefully, and to follow the requirements of the regulations, he would soon find himself without inventory and tempted toward the black market. To avoid this, it was necessary to convey to the dealers full and accurate information on the nature of their responsibilities and the special requirements of the regulations. Finally, a dealer's cooperation was likely to vary directly with his understanding of the objectives and the reasonableness of the restrictions and requirements imposed upon him. not too much to say that in the rationing program there was a neverending race between dealer understanding and collapse of programs.

OPA had a harder task in obtaining an informed and cooperative trade than any other agency. Its programs were novel. They were restrictive. They applied automatically to all dealers, large or small, in a trade. They applied in some cases to types of businessmen who had never before been subjected to much governmental restriction. Frequent changes in regulations were necessary due to changes in supply of rationed commodities or to other factors. And the causes for the restrictions sometimes were remote and difficult to comprehend.

No agency ever made a bigger effort to supply information to the trade and to obtain trade understanding and cooperation. And this is the key to the understanding of much of the field activity of the Rationing Division. Except for supervision of local boards, the responsibility of the Rationing Division in district and regional offices centered mainly around the problem of informing the trade and

<sup>&</sup>lt;sup>1</sup> As for example, on midnight, January 3, 1943.

<sup>&</sup>lt;sup>2</sup> This term was used in the food programs; other terms with similar meanings were used in other programs.

of reporting to Washington on trade reactions to developments. In rationing, as in price control, OPA tried to place technical experts, recruited largely from the affected industries, in every area of the country to work with the trade with the double objective of giving information and of hearing complaints.

The national office spearheaded the effort to obtain trade understanding in a variety of ways, such as releases to the trade press, organization of industry committees, periodical mailings of industry letters, and the distribution of point charts. Trade associations and the trade and general press aided materially. But the burden of obtaining full coverage, of answering the day-to-day inquiries, of hearing complaints, and of overcoming local misunderstandings, rested with the field offices.

There were additional objectives in the trade relations activities of the field offices. By trade contacts aid could be obtained from the industry on special local supply and distribution problems or on compliance or other activities. Also, through trade contacts the effects of the regulations could be learned and the Washington office could be informed. In this way the field could make some contribution to the development of policies.

The trade relations activities of the district offices were extremely varied. The chief types were as follows:

- (a) The telephone, office conferences, and the mail bag.—These took more of the district office specialists' time than anything else. The public and the trade wanted information on an endless number of questions. In metropolitan areas the office conference and the telephone were the media of communication; in more sparsely settled areas the mail bag brought a large part of the daily work load. So heavy was this work in the Rationing Division that the expression "chained to their desks" came into general use. The experience of OPA demonstrated that millions of people would avail themselves of the opportunity to make use of the local antennae of the national bureaucracy.
- (b) The trade meeting.—Great emphasis was placed upon trade meetings at which regulations were explained and questions answered. When the programs were new, when major changes were made in the regulations, or when enforcement activities were touching the industry, attendance at these meetings was usually large enough to demonstrate their utility. Sometimes district-wide coverage was attempted through a series of meetings, and sometimes the meetings were held jointly with enforcement attorneys. Unfortunately, staff for trade meetings was usually not adequate at the time the meetings were most needed, i. e., at the institution of programs.

(c) Trade committees.—Some specialists found an organized trade committee useful. The Boston regional mileage rationing officer, for example, believed that the regional and district committees organized for gasoline rationing in New England were the most useful means of obtaining trade cooperation.<sup>3</sup> Such committees were ultimately established for gasoline and fuel oil, under directions from the national office, in all but a small number of districts.

(d) Association contacts.—Commodity specialists usually maintained close contacts with local associations. The trade associations were an important means of getting information to their members,

and frequently aided in arranging for trade meetings.

(e) Personal contacts.—Commodity specialists placed great reliance upon personal contacts which they had initially or were able to establish with leading members of the industries. In fact, some specialists believed that more results could be obtained, both in getting trade cooperation and in obtaining trade information, by this means than by formal committees or by trade meetings.

(f) Bulletins.—It was the early practice in some districts to prepare digests or bulletins for distribution to the trade. As other channels of communication improved, local preparation of bulletins

declined.

In general, it may be said that the district office specialists sought by every practicable method to establish close contact with a portion of the trade. Coverage could never be complete, however, because of the failure of trade members to read printed materials, the difficulty of reaching some members of the trade by other methods, and inadequate staff. The greatest weakness was the lack of field staff at the institution of programs. Misunderstandings resulted and compliance difficulties were increased in proportion to OPA's inability to reach the bulk of the trade through meetings, bulletins, and conferences, at the time the rationing regulations were issued.

# **Board Supervision**

We have noted that prior to the fall of 1944, the Rationing Division in the district office had the responsibility for instructing and supervising the boards on program operations, as distinguished from house-keeping and general management; and that after that time it was responsible for collaborating with the board executive and his staff of board supervisors to the same end. In discharging its responsibilities, the Rationing Division engaged in the following main types of activities:

<sup>&</sup>lt;sup>3</sup> The regional office in Boston asked for the establishment of these committees in all districts. But one district did not go along, arguing that there would not be sufficient business on which action could be taken at the district office to maintain the interest of committee members.

(a) Preparing and transmitting instructions to the boards.—In the early days much of the instructional material was transmitted to the local boards through the State and district offices. After March 1, 1943, the chief channel—and a much faster and more dependable one—for instructing boards on the regulations was the Loose Leaf Service, mailed direct from the printer under a tight time schedule. Nevertheless, program specialists still were called upon to relay instructions to boards when program changes were to become effective before the Loose Leaf Service could bring notice of the changes to the boards. Moreover, district offices often prepared bulletins for the purpose of emphasizing loose-leaf instructions or important special assignments.<sup>4</sup>

(b) Answering inquiries from the local boards.—The volume of these inquiries was sometimes great, particularly if there had been a major change in the regulations, or the press had carried notice of an important change upon which the boards had not received notice,

or if there was a significant change in tire quotas.

(c) Visiting local boards to instruct the panels and clerks and to check on program operations.—In some offices there was a special group of rationing field travelers for this function, but in most cases this was another activity of the program specialists. The program specialists frequently planned to make board visits and conduct local trade relations activities on the same trip.

(d) Participating in board clinics.—The board clinics were instructional sessions on one or more programs, usually for a group of boards,

attended by several representatives of the district office.

(e) Instructing the travelers from the Board Operations or Board Management Division on program responsibilities of the local boards.—This was a particularly important function after the travelers from the Board Management Division were given the responsibility for all operations at the local boards near the end of 1944.

(f) Keeping informed of the position of the local boards with respect to quotas assigned to them, and considering requests from the

boards for additional quotas.

(g) Receiving regular reports from the local boards on currency issuance and summarizing these reports for use in evaluation of opera-

<sup>&</sup>lt;sup>4</sup>At the end of 1944, the Special Assistant for Field Coordination in the Office of the Deputy Administrator for Rationing asked that copies of instructional materials sent to the local boards from the district offices during a specified period be sent to Washington. A very considerable volume of material was received. Some members of the national staff thought that supplementary instructions were rarely, if ever, needed, and believed that restrictions should be put upon the district offices. The field staff, however, felt that such instructions were necessary, either to clarify or emphasize instructions contained in the Loose Leaf Service, or to stress the importance of particular tasks. The author, as Assistant Deputy Administrator for Rationing, was convinced that some districts were sending excessive and duplicative supplementary instructions to the boards, but believed an attempt to impose restrictions upon the judgment of the district offices in this matter would be both unwise and ineffectual.

tions and determination of quantities of currency and forms needed by the boards.

## - Work with Other Governmental Agencies

The staff of the Rationing Division worked constantly with a diverse group of governmental agencies. The varied nature of the contacts can be illustrated by indicating some of the areas of interrelationship and service.

First, the Rationing Division, in cooperation with other units in OPA, worked with the schools and other State and local governmental agencies on the several occasions when their cooperation was requested for the distribution of application forms, war books and other currency, and in registration of dealers.

Second, in some cases the regulations provided for issuance of rations by the local boards upon the certification of another agency, and in such cases cooperative arrangements with this agency had to be established at each level of jurisdiction. For example, gasoline rations for certain types of commercial vehicles were issued by local boards in amounts determined by ODT,<sup>5</sup> and for tractors and other farm uses until July 1, 1945, upon certification by the County Agricultural Adjustment Agency Committee. Sometimes similar arrangements for certification of need were made locally. Thus, in Maine, it was arranged that the Sea and Shore Fisheries Department of the State government would certify the amount of gas needed by commercial fishermen for motorboats.

Third, the division of authority between supply agencies and OPA necessitated the establishment of close working relationships between OPA field offices and the field offices of the supply agencies. The necessity for conference and joint consideration of problems was particularly urgent in the case of food and fuel oil.

One outstanding case of extensive cooperative action, both with supply agencies and with the State government, will illustrate the types of situations which called for cooperative effort. For the people of New England the threatened lack of fuel oil in the winter of 1942–43 was one of the most serious domestic problems created by the war. To an extent, the problem was one of getting the machinery for rationing and for conversion of heating and power facilities to alternate fuels into operation; but there was also a supply and distribution problem of transporting fuel oil into the area and getting it to the points where rationed demand was most pressing. In the beginning of the critical period, Governor Saltonstall appointed a State

<sup>&</sup>lt;sup>5</sup> In October 1944, local boards were given the authority to issue "nonrecurring" rations without ODT certification of need. This division of authority necessitated conference by district office staffs with ODT in order to insure effective cooperation between the boards and the district offices of ODT.

conservator; and shortly thereafter a war agencies petroleum committee, with representation from PAW, OPA, WPB, OWI, Army ordnance, and the Navy, was formed in Boston. The conservator, the committee, and the various agencies cooperated in meeting the successive crises. The committee continued to meet frequently to the end of fuel-oil rationing. Cooperation on operating details was needed as well as help in meeting crises. For example, the extremely complicated arrangements concerning decisions on conversion of burner equipment in the first year of fuel-oil rationing made it necessary for the field offices of OPA to act as liaison agents between the local boards and the field offices of the petroleum coordinator in New York City. A user ordinarily was eligible for a ration only if he showed that he could not convert his equipment to coal. As a rule applications for relief from this requirement went to PAW's office in New York. Since all applications were received at the local boards, local applicants expected OPA to get information on the status of the petitions, and to issue rations pending PAW's decision; consequently, OPA became a kind of expediter of applications which went to New York.

Paul M. O'Leary, first Deputy Administrator for Rationing, has noted the difficulties occasioned by the separation of consumer rationing from the over-all responsibilities for supply and distribution. The problems of coordination between the rationing agency and the supply agency at the national level were paralleled by a field problem which had two parts: First, consultation on special complaints or problems arising in the field; and second, arrangements for cooperation in instances where rationing and supply agencies had complementary responsibilities for field actions.

A fourth type of contact with other agencies occurred because of the use of rationed commodities by governmental units. The outstanding case was mileage conservation; a substantial and generally successful effort was made to obtain a reduction in car use by State and local agencies. In addition, large governmental users of food or other commodities frequently brought their problems to the field offices.

Finally, it should be noted that OPA's field staff sometimes found it could hardly deny assistance to the public upon some matters not strictly within OPA's jurisdiction. Commenting on the complaints

<sup>&</sup>lt;sup>6</sup>These crises were real. On a cold day, December 20, 1942, all responsible parties waited in suspense for the arrival of a boat which would replenish the kerosene supply. The boat arrived December 21. When February brought another cold period, the regional administrator of OPA issued emergency orders restricting the size of deliveries and prohibiting deliveries to certain types of nonessential users. At one time OPA arranged for the establishment of an emergency distribution center in Boston where small deliveries of oil were made by dealers.

<sup>&</sup>lt;sup>7</sup> See his "Wartime Rationing and Governmental Organization," The American Political Science Review, vol. 29, pp. 1089-1106 (December 1945).

received regarding shortages, for example, an experienced field representative has written:

And there wasn't any way to redirect them, as the proper Government agencies were, in general, not known to the individual citizens, nor were they ordinarily set up to handle detailed public contacts. Therefore, OPA regional and district people, for plain humanitarian reasons, on the one hand, and, on the other, in self-protection, became willy-nilly the liaison agency between a complaining public and the agencies of commodity supply.<sup>8</sup>

#### Appeals

An applicant who was dissatisfied with the action of a local board upon his application for a ration could appeal to the district director, and from the district director to the regional administrator, and from the regional administrator to the Deputy Administrator in Charge of Rationing.<sup>9</sup> There was a considerable volume of appeals to the district office and a relatively small number of appeals to the regional and and national offices. Most of the appeals arose on applications for gasoline. Thus, in the Colorado district, a total of 2,144 appeals was taken from the local boards to the district director during the time that gasoline rationing was in effect. Of these 1,965, or more than 91 percent, were for gasoline; there were 64 appeals from the action of the district director to the regional administrator, and 8 from the regional administrator to the national office, all of them on gasoline applications.<sup>10</sup>

The responsibility for considering appeals, and for drafting orders granting or denying them, rested upon the rationing attorneys in district, regional, and national offices. This task took a large portion of the time of the one or more attorneys in the Rationing Division of the district office.

# Reporting to Washington

It was frequently said that the field staff constituted the "eyes and ears" of the Washington office. Although there was overstatement in this characterization, it was nevertheless true that the field staff was the most significant channel for communication of information on trade and public reaction, program operations, and local problems, and was a valuable source of advice on policy and operations. The rationing executives and each of their section heads made biweekly

<sup>8</sup> Patrick Hanaver, "History of Rationing in New England." Unpublished manuscript, OPA Bibliography, 1940-1947, item 10k7.

<sup>&</sup>lt;sup>9</sup> A uniform appeal procedure was prescribed in Procedural Regulation No. 9, issued October 28, 1942. 7 F. R. 8796. As for appeals to Washington, sec. 1300.608 (c) provided: "It shall be within the discretion of the Washington office to pass upon or to refuse to pass upon an appeal." The right of appeal was granted in the separate ration orders. In at least one case, the hardship ration in gasoline, there could be no appeal from the local board.

<sup>&</sup>lt;sup>10</sup> From an unpublished report bearing the title, "OPA History: Colorado District Office," p. 87. OPA Bibliography, 1940-1947, item 10k62.1.

reports to their counterparts at the next level of operations. Copies of district office reports were sometimes sent to the Washington office. Special memoranda and telephone calls were media for communication on particular matters. Conferences of regional office personnel were called by the Washington staff at 3- to 4-month intervals, and similar conferences of district office personnel in each region were usually attended by representatives from the Washington office.

The district office received monthly reports on issuance of rations from the local boards and transmitted summaries of these to the regional office, from which reports were sent to Washington. The food rationing specialists sent a weekly report on supply of rationed commodities in their districts. For each food item on the list, the specialists reported whether it was in plentiful, short, or scarce supply. The tire rationing specialists gave reports near the end of the month on the amount of quota remaining unused.

## Special Activities

There were a variety of activities peculiar to one rationing program, or performed by only one section in the Rationing Division. Some of these formed so significant a part of field administration of the rationing program that they should be described.

## (a) Tires

In tire rationing two special field functions were of continuing importance. The first was the local administration of quotas. Each county or other unit, such as the township in Massachusetts, was granted a quota of tires for the ensuing month, which fixed the maximum number of certificates the rationing unit was authorized to issue during the month. At first the national office broke down the quota allocations for States and counties. The State tire rationing administrator was given a reserve from which supplemental grants could be made to the counties; and on February 20, 1942, he was given the authority to revise county quotas. Beginning in March 1942, tire quotas were mailed to the regional and district offices.

As of January 1943 there were as many as nine separate quotas, covering the different categories of tires, tubes, and recap services, to be administered. National, regional, and district reserves were established, except for tractor and implement tires, for which only regional and national office reserves were held. County quotas were sent out by the national office until January 1945, when it was realized that

<sup>&</sup>lt;sup>11</sup> State Tire Rationing Instruction Letter No. 28, explaining sec. 307 of the Revised Tire Rationing Order.

<sup>&</sup>lt;sup>12</sup> Most of the material for this section was taken from an unpublished manuscript on "History of Tire Rationing," *OPA Bibliography*, 1940–1947, item 10bb4. The manuscript has no page numbers.

since district offices were in the habit of revising county quotas anyway, the latter were meaningless.<sup>13</sup>

Thus, the district office could: (1) Make or revise monthly allocations to counties, (2) allot additional tires from its emergency reserve, or (3) appeal to the regional office for additional quota from the regional or national reserve. This work was done by the district mileage rationing specialist or district tire rationing specialist. It included two phases in each month's operations. First, there was the initial allocation before the first of the month. Second, allocations were made from the emergency reserve late in the month to those counties having the greatest need for a larger quota. Also, unused quota might be shifted from one board to another near the end of the month.

The other special activity was tire inspection. This was a conservation measure in two parts: (1) The inspection of tires beyond repair which was required after February 19, 1942, as a condition for the grant of a new tire purchase certificate; and (2) the periodic inspection of all passenger tires on cars getting gasoline rations, which—on the recommendation of the Baruch Committee—was made compulsory on January 21, 1943. The latter was abandoned as a compulsory requirement, on recommendation of the Rubber Director, in the spring of 1944.

At the peak, there were in operation about 1,050 central truck tire inspection stations, 32,600 official truck tire inspection stations, and 62,400 official passenger tire inspection stations.

The task of supervising these stations and of spot checking tire inspections fell upon one or more tire examiners in the Rationing Division in each district office. The statisticians of the Tire Rationing Branch have reported that these tire examiners contacted 425,400 tire dealers, held over 19,000 meetings on tire conservation and inspection problems, discovered over 165,000 improper passenger and about 46,000 improper truck tire inspections, reported over 160,000 cases of tire abuse by applicants, and withdrew inspection authority from more than 58,000 stations.

# (b) Gasoline

The gasoline rationing staff was responsible for mileage conservation, in cooperation with plant transportation committees and with Government agencies. Plant transportation committees certified to

<sup>&</sup>lt;sup>13</sup> County quotas on 8.25 or larger truck tires were not issued after July 1944, because, beginning in August 1944, special boards serving, in most cases, a larger area than the county were established.

<sup>&</sup>lt;sup>14</sup> Depending on how the work of the division was organized. See p. 72-74.

<sup>&</sup>lt;sup>15</sup> There were certain cooperative relationships with the boards, which had in the early days designated the inspection stations. Some of the tire examiners were for a time attached to central boards.

local boards the need of plant workers for supplemental gasoline rations. It was estimated that such certification extended to over 35 percent of all "B" and "C" supplemental gasoline. Government agencies cooperated in an effort to reduce mileage of Government cars. Over 24,000 units of the two types, transportation committees and Government units, participated at one time in this program. Considerable promotional work from the district office was involved in establishing and maintaining these activities. In the larger districts this was a full-time task for a member of the gasoline rationing staff.

When gasoline dealers' ration banking accounts began to be regularly debited in 1944 for invalid coupons discovered at the verification centers, a special task of considerable size was thrown on the gasoline staff. The procedures allowed for a limited type of "bail-out" for the dealer in cases where his registered storage capacity had been debited in an amount not in excess of a stated percentage of his monthly sales. This bail-out was based on the recognition that even the careful operator might accept some bad currency and hence should, under appropriate circumstances, be given restoration up to stated percentages. Petitions for bail-out were considered by the gasoline rationing specialists in close collaboration with the Enforcement Division. In some districts most of the time of the gasoline specialists was spent in this activity in late 1944 and in 1945.

#### (c) Shoes

In shoe rationing, dealer applications and problems were handled almost exclusively at the district office, local board activities being restricted to consumer applications. As a result, the miscellaneous products representative (responsible for shoes and rubber footwear) in the district office was authorized to issue currency to dealers under a variety of circumstances, such as new entries into business, increase of business, and sale of shoes for export. In 1944 a special compliance check was initiated which involved an inventory report from every dealer in shoes. Each report was checked by the miscellaneous products representative and where shortage in inventory and currency on hand in any significant percentage was revealed, conferences were held with the dealer or the case was referred to the Enforcement Division. It took months to complete this task, and it was only accomplished by raising the so-called cut-off percentage above which shortages would be investigated.

<sup>&</sup>lt;sup>16</sup> Office of Price Administration appropriation estimates, fiscal year 1946, Bureau of Budget submission, section on rationing activities at the district office.

<sup>17</sup> Ibid.

<sup>&</sup>lt;sup>18</sup> On the debiting procedure, see p. 42, footnote 19.

<sup>19</sup> Issuances were also made to consumers at the district offices in certain types of cases.

#### (d) Food

The special activities of the Food Rationing Section were numerous. In the summer of 1945, over 50 different special actions to be taken in the district offices were listed. Applications of all new institutional users had to be approved. Currency was issued to persons who wished to export food to consumers abroad. Applications for additional rations because of illness came to the district office in large numbers. The district office was supposed to collect points for food suppliers when the retailer defaulted on his payments. Various types of reports were supposed to be analyzed. These and many other activities brought a big load of paper and desk work to the Food Rationing Section, and in many cases either a portion of the desk work was not done or trade relations work was neglected.

In May 1944 the regions were asked to move the files on industrial users of foods to the district offices.<sup>20</sup> After this action the district office issued currency on individual application to approximately 117,000 industrial users every three months. Sometimes when point values were increased additional grants were made before the end of a quarterly period.

Beginning in November 1945, issuance of food rations to all institutional users was made from the Food Rationing Section of the district office; and after January 1, 1946, when only sugar rationing remained, all consumer rations were also issued from the district office.

The Food Rationing Section was a center for dealing with a large and diverse trade and for handling a huge volume of applications, reports, and other items affecting particular persons in the food industry. As a result of these activities and inadequate personnel, it lost contact in many districts with the local boards.

However, neither the district offices nor the regional offices were delegated authority to decide upon the most significant and difficult adjustment petitions. The failure to delegate authority over these had a deleterious effect upon field operations. The field offices were besieged with queries from the trade concerning the reasons for the long delays in action on their petitions in Washington, and spent much time trying to exonerate the national office and to obtain action. Frequently the remoteness of the authority to decide and the lack of knowledge of the precise bases for action created an attitude of distrust, and even of advocacy for the position of the petitioner, in the field offices.

Authority to decide upon the more important petitions might well have been delegated to the regional offices. In addition to providing

<sup>&</sup>lt;sup>20</sup> See pp. 112-115 for a discussion of this action and the delay in carrying out the directive in some areas.

opportunities for expedition in the handling of the cases, such action might have had two significant effects on field performance. First, as Justice Brandeis said, "Responsibility is a great developer of men." The responsibility for decision might have developed a better understanding of policy considerations; and the necessity for saying "No" in many cases and of justifying the action might have counteracted the natural tendency in a food staff working on trade relations to sympathize unduly with trade complaints. Second, continuing analysis of adjustment applications might have provided a special analytical element in the food staff or in a unit serving all sections. Its existence might have provided, at least for food, a location for special study of problems requiring comprehensive analysis and so have strengthened the field organization's participation in the development of policy.

## (e) Ration Currency

All of the activities of the Ration Currency Section were distinct from the operations in other sections. It was the only unit in the division whose activities were described in terms of function rather than of commodity, and it acted as a service unit to the other sections. Its functions included the supervision of the banks participating in the ration banking program; issuance of currency in amounts determined by the commodity sections; <sup>21</sup> the handling of currency problems, such as bank overdrafts and ration credit; representation of the Rationing Division in matters affecting the safeguarding of currency and maintenance of accountability standards at local boards; and the collection (chiefly through monthly issuance reports from local boards) and analysis of statistical data.

Three comments may be made about the work of the section. First, except for bank supervision, the work was largely clerical or routine in nature. Second, in 1945, the Deputy Administrator in Charge of Rationing asked that a "central adjustment desk" be set up in this section. At such a desk clerks would handle all clerical operations and maintain all records for the commodity units on bail-outs, credit grants, collections, and similar determinations involving currency grant, withdrawal, or use. It was believed that through centralization of the heavy volume of clerical operations commodity sections could be relieved for concentrated attention on other duties, that improvement could be obtained in the clerical processing of forms, and that economies in clerical time could be effected. The establishment of such a center was delayed because of difficulty in transferring per-

<sup>&</sup>lt;sup>21</sup> This was a routine function of some size, particularly after rations were issued to industrial users from the district offices. The Ration Currency Section operated what was called the "central issuance" desk or center.

sonnel; it was clear that additional staff would be needed, since many of the things included were simply not being done. Substantial progress in moving clerical operations into the Currency Control Section had, however, been made in New England by VJ-day, and if rationing had continued the objective of centralizing clerical operations might well have been achieved. Third, at least one regional ration currency officer who served throughout the program has emphasized the need in rationing, and the failure during World War II, to emphasize properly the function of statistical analysis. To a great extent the statistical function was regarded as routine. However, in the hands of a skilled technician acting under a broader concept, it could have been developed into an important staff activity with great benefits in terms of program results. Issuance figures received from local boards might have been used to a greater extent for evaluation of program operations at local boards and for planning future operations. Organizationally, the statistical function combined in a regional office with the function of deciding adjustment cases might have provided the analytical focus previously referred to and placed the analytical function on a level comparable to what it had in field price operations.<sup>22</sup>

#### Participation in Other Office Activities

The staff of the Rationing Division gave technical aid to the other divisions concerned with rationing. When compliance committees were established they included representatives of the division. Board supervisors from the Office of Board Management were trained by rationing specialists. As a part of daily operations the division worked with the Information Division, the Accounting Division, the Administrative Services Officer, enforcement attorneys, and the board supervisory staff.

# 2. Personnel and Organization

## Early Staffing

The type of men selected initially for field operations was of continuing significance in later operations. As additional commodities were rationed, and as vacancies occurred in the more responsible positions, the original staff constituted the main reservoir of talent for new assignments and for replacement. Also, the method of original selection was important. It is axiomatic that smooth relationships in an organization with field offices are possible only if field personnel have the confidence both of their superiors in the local offices and their

<sup>&</sup>lt;sup>23</sup> The regional price economist became the analytical focus in field price operations. The analytical tasks in field rationing operations were, of course, much smaller than in field price operations.

counterparts in the higher offices. One corollary is that joint participation in the initial selection is desirable.

The people in Washington who took the lead in selection of the early personnel certainly recognized the importance of their task. Moreover, in some cases they made a considerable effort to obtain participation in the process from such personnel as existed in the field.

The first regional tire representatives were hired by the Washington office and sent out for service on the regional price executive's staff. These men were recruited from two sources. Some of them were borrowed from Sears, Roebuck and Co., and some came from tire companies. Most if not all of them had been field executives with considerable experience in organization and sales activities. Their competence was such as to assure their acceptance in the field organization. For the State offices the plan adopted by Washington was to help select a panel of names for recommendation to the State director.

The 58 sugar rationing specialists sent to the regional and State offices on April 30, 1942, were also selected by the Washington office without field assistance. In this case, too, the national office made a long-remembered blunder in failing to notify the field that the men were coming. Strained relations between field officials and the Food Rationing Division in Washington inevitably followed. Moreover, although a number of these men later rose to positions of responsibility in food rationing, both in Washington and field offices, some were found to be inadequate for the job.<sup>23</sup> These men, too, had had sales experience; but one regional administrator has commented on their lack of preparation for the analytical problems which arose when cuts had to be imposed on industrial users of sugar, deep enough to require sharp adjustment of most operations and to threaten some with bankruptcy.

Two groups of men were recruited to serve as gasoline specialists in the spring of 1942. They were selected by the Washington office with industry cooperation, and were given a very thorough training in the Washington office.<sup>24</sup> There were some advantages in the installation of the gasoline program in 17 Eastern States before it was installed in the rest of the country. All of the men assigned to western areas were first brought to the rationed area to help the gasoline representatives there train and supervise the boards and instruct the gasoline trade.<sup>25</sup> Then, when gasoline rationing was extended to the

 <sup>23</sup> In region V, for instance, three of the seven men were let out at the end of the year.
 24 Among others, an official of Socony-Vacuum Oil Co. helped recruit these men.

<sup>&</sup>lt;sup>25</sup> Don Leach, who was assigned to North Carolina, says that with the aid of three of the western men he was able to contact each board in the State every two weeks. Patrick Hanaver, first and only regional mileage rationing representative in New England, has commented on the contribution made by these men in getting the program into operation in the eastern area.

<sup>744786--47---6</sup> 

rest of the country, the western representatives had the advantage of

experience in the program which they were to help install.

When fuel-oil rationing began in the fall of 1942, the field staff was drawn partly from the gasoline staff. In addition, an oil company official enlisted by the national office helped recruit new personnel. But the time for installation of the program was cruelly short, the national office leadership dynamic, and the amenities of field office consultation not always observed.

One of the most careful jobs of recruiting initial staff was done by the Miscellaneous Products Division. This division had jurisdiction ultimately over rubber footwear and shoe rationing, but it was recruiting field staffs for the anticipated job of rationing clothes. Vigorous initiative was taken by several men from the Washington office in recruiting and persuading men to consider the positions in regional and State offices; but in all cases, the Washington representatives confined themselves to recommending a panel of names to the local authorities. A participant has described the selection of the regional men: <sup>26</sup>

Clarence Nelson, French, Gettell, and I worked on the problem of field relations in May or June of 1942. Since we were planning an apparel program, we decided to look for men with a broad background in retail merchandising. So we went to the regional offices, talked with the regional rationing executives, regional administrators, where possible, personnel people, civil service representatives, told them what we expected to do, how we expected to do it, and our ideas of the types of men we needed to get it done. The men we brought into the regional offices had either been presidents or general managers or merchandise managers of such stores as Abraham and Straus in Brooklyn, Boston Store in Chicago, Boston Store in Fort Smith, Ark. We did find one man with wholesale experience, i. e., Dallas. Then we had these men in for an initial conference.

It was generally recognized in OPA that the agency was fortunate in the type of men obtained as the result of the care taken in this recruiting process.

Shortly after the establishment of a separate rationing department in Washington, rationing executives were chosen for the regional offices. On the whole, contrary to the practice of the Price Department, these men were recommended for appointment by the regional administrators. On the whole also, the State rationing officers were nominated by regional and State office personnel.

Several comments may be made about the early staffing:

<sup>&</sup>lt;sup>26</sup> Memorandum, W. A. Molster to Richard A. Girard.

<sup>&</sup>lt;sup>27</sup> The conference was planned carefully, largely by Patterson H. French. The 12-page outline is remarkable among early OPA training materials for the clarity with which administrative relationships were outlined. Among other things, they were told to consult with the regional rationing executives on general rationing problems, and with Washington on specific problems, and that they would need a kind of sixth sense of coordination.

First, for the record it should be said that there was almost a complete lack of political influence, or even of political notice, in the selection of the original field staff of the Rationing Division. And this nonpolitical feature of appointment to the Rationing Division and to the other technical divisions of OPA continued, on the whole, throughout the life of the agency.

Second, to a large extent, conflicts between field and national personnel were avoided in the selection of the field rationing personnel.

Third, the objective of obtaining a group of men who could be entrusted with big jobs throughout the program was also, to a considerable extent, met. From the group recruited by the middle of 1942 were to come regional administrators, an assistant regional administrator, regional rationing executives, district directors, district rationing executives, mileage rationing officers, tood rationing officers, etc. Not many of these, however, ever served in the national office.

Fourth, most of the persons selected had a background of experience in merchandising, only a few in marketing analysis, or other types of research.<sup>34</sup>

Fifth, since tire and gasoline rationing, among the programs instituted in 1942 were the two which required the most personnel, and since the automobile industry had a surplus of manpower in 1942, particularly in the sales organizations, the rationing program from the beginning was staffed to a considerable extent from that industry. A more varied group came into rationing with the addition of the red and blue food rationing programs, and of ration banking in 1943;

<sup>&</sup>lt;sup>28</sup> Two of the first regional and one of the first 42 State (and district) rationing executives became regional administrators; one future assistant regional administrator was in the early tire group.

<sup>&</sup>lt;sup>20</sup> The names of three of the persons who were regional rationing executives in the middle of 1945 appear on the list of tire personnel selected by July 7, 1942. One of the first 42 State (and district) rationing executives became a regional rationing executive.

<sup>30</sup> Nine of the first 42 State (and district) rationing executives became State or district directors.

<sup>&</sup>lt;sup>31</sup> The two veteran regional mileage rationing officers who stayed to the end of the program, Patrick Hanaver for region I, and Chester Adams for region II, were in the group of tire rationing representatives selected by July 7, 1942. Chester Adams became assistant regional rationing executive in 1945.

 $<sup>^{-32}</sup>$  The author has been unable to locate the lists of gasoline and fuel oil representatives selected in 1942.

<sup>&</sup>lt;sup>33</sup> Jerome M. Ney, original miscellaneous products representative in the Atlanta Regional Office, who became successively Director of the Miscellaneous Products Rationing Division, Assistant Deputy Administrator for Rationing, Director of the Consumer Goods Price Division, and Deputy Administrator for Price, was the most notable exception. Of the first 50 regional, State, and district rationing executives (appointed prior to September 30, 1942) only one ever served in the national office.

<sup>&</sup>lt;sup>34</sup> The Boston Regional Office was unusual in this respect. The first regional rationing executive, Eldon Shoup, and a member of his staff who had been selected for tire quota work in the regional office, Russell Cort, both came from the marketing analysis field.

but the automotive group remained the largest and provided many experienced men for executive positions in the field offices.<sup>35</sup>

#### Organization

The ultimate staffing and organization of the Rationing Division was the result of three interlocking factors. First, there was the natural tendency, reinforced by strong pressures from Washington, toward parallelism between the central office and field office organizations. Second, there was the desire to obtain specialization and expertness in the various program and functional operations. Third, there was the need for some interchangeability of staff so that maximum utilization in a rapidly changing program could be obtained.

In general, the pattern of field organization followed the divisional structure in the Washington organization. When, as the result of the concept of mileage rationing, the Gasoline Rationing Branch in Washington was taken from the Fuel Rationing Division and combined with the old Automotive Supply Rationing Division (tires, automobiles, and bicycles), to form a new Mileage Rationing Division in October 1942, the rationing personnel handling tires, automobiles, and gasoline in each field office were placed in a consolidated Mileage Rationing Section, under the direction of a mileage rationing officer. When the red and blue point programs were instituted, these were combined with sugar in all field offices to form a Food Rationing Section, which paralleled the Washington Food Rationing Division. When ration banking was instituted, ration banking officers were placed in the field offices; and when a Ration Currency Division absorbed ration banking in Washington, the broader functions of the new division were carried out in the field by ration currency control officers. When legal functions were put in the program departments, legal units were established in rationing at each geographical level of organization. Typewriter rationing, an orphan in Washington, was usually handled as a part-time sideline by the automobile specialists in the field. Finally, fuel oil and stoves, the two programs handled by the Fuel Rationing Division in Washington, were usually handled by the same personnel in field offices. Thus, by the end of 1943, a Rationing Division in regional and district offices usually had the

<sup>&</sup>lt;sup>25</sup> A study by OPA's Office of Personnel of appointments of regional, State, and district rationing executives from January 1, 1942, to December 31, 1945, showed that 40 percent of the regional rationing executives and 21.1 percent of the State and district executives came from the automotive or automotive supply industry. It may be noted that of the 25 regional rationing executives during that period, 3 were attorneys, 3 were from Government (other than as an attorney), and 19 were from private business (other than as an attorney); and that of the 209 State and district rationing executives, 14 were attorneys, 13 were from Government (except as attorney), 168 were from private business (except as attorney), 3 from education (except as attorney), and for 11 no information was available. The figures, as elsewhere in this study, are for the continental United States only.

following six sections: Mileage, Food, Fuel Oil and Stoves, Miscellaneous Products, Ration Currency, and Legal.<sup>36</sup>

There was a high degree of specialization in the Mileage Rationing Section. In a typical district office there would be one or more tire rationing specialists, a staff of tire inspectors under a district tire inspector, two or more gasoline rationing specialists—one of whom was responsible for plant transportation committees—and perhaps a group of field travelers who worked chiefly with the local boards. This specialization of tasks was encouraged by the national office.

On the other hand, no general pattern of specialization evolved in the staffing of the food sections. The assignment of duties within the food sections varied from office to office, and frequently was not accompanied by adequate specialization. This was particularly true after the reduction of personnel which followed the removal of processed foods and many meats from rationing in 1944. As efforts were made in 1945 to increase the size of the food rationing staff in the field offices, the national office urged the necessity of specialization for particular programs, such as meat rationing, the industrial and institutional user programs, and sugar rationing.

Fundamental changes were recommended by the Washington office in field organization for certain programs in 1944 and again in 1945. In Washington, in September 1944, the Fuel Rationing Division and the Mileage Rationing Division were combined to form the Fuel and Automotive Rationing Division containing the following four branches: Gasoline, Tires, Fuel Oil, Consumer Durables—which included automobiles and stoves. In October 1944, the Washington office asked the field offices to abolish the long-standing Mileage, and Fuel Oil and Stove, Sections and to establish four sections paralleling the four branches in the new Fuel and Automotive Rationing Division in Washington. The recommendation was followed by considerable pressure, by field trips and correspondence, to get the new organization installed.

Nevertheless, the plan was only partially accepted in the field. Regions I and II refused to take any action, region III declined to separate fuel oil from stoves, and region VIII would not separate stoves from miscellaneous products in those areas where fuel oil was not rationed. The field objections arose from reluctance to change long-established organizations, the desire to avoid personnel difficulties accompanying a change, and in some areas a belief that badly needed

<sup>&</sup>lt;sup>36</sup> There were, of course, variations from this standard pattern. Frequently, the miscellaneous products officer was asked to help carry other responsibilities. In those sections in the western part of the country where fuel oil was not rationed, miscellaneous products and stoves were frequently handled by the same man. Divisional representatives of the Washington office tried to resist interdivisional combinations.

manpower would be wasted—both because some of the jobs appeared to call for less than full-time attention and because of the enhanced difficulties in obtaining interchangeability of personnel.

An unfortunate result was the disappearance of the previous uniformity in field staffing patterns for the affected programs. Moreover, those regions which carried the new plan into operation ran into classification difficulties. Unwarily, the plan had been announced without consideration of its effect upon the classification of the men who had headed the Mileage, and the Fuel Oil and Stove, Sections. When the Office of Personnel determined that the classification for the four new section heads would be one level lower than had been approved for the heads of the abolished sections, weeks of discussion on classification and organization ensued. With the Office of Personnel refusing to approve the desired classifications for more than two section heads, the Rationing Department finally suggested to the field that wherever the step could be taken without loss of morale or personnel, two sections should be established, namely, a Gasoline, Tire and Automotive Rationing Section, and a Fuel Oil and Stove Rationing Section. This, of course, was the organization which had existed in most areas prior to the October 1944 directive. 37

In this sequence of directive and countersuggestion, the two problems of specialization and interchangeability of personnel in a small office force were considered. The Fuel and Automotive Rationing Division desired to obtain the advantages of specialized personnel working exclusively on each separate program. The Office of Personnel, emphasizing the need for shifting personnel from program to program as need arose, suggested four separate units, coordinated by a single section head. The Deputy Administrator believed that the advantages of flexibility and maximum utilization of staff could be obtained without establishing a layer of supervision between the rationing executive and the operating units. His decision to accept the two-section pattern came as the result of the several needs of solving the classification problem, of maintaining a specialized staff, and of providing for as much interchangeability of personnel as possible so that the pressing need of additional personnel for the Food Rationing Section could be met.38

<sup>&</sup>lt;sup>37</sup> The suggestion was made on July 19, 1945. VJ-day solved the problem. The July 19 memo suggested that stoves be put in the Gasoline, Tire and Automotive Rationing Section in those areas where fuel oil was not rationed. This would have meant, for such areas, a single section paralleling the Fuel and Automotive Rationing Division.

<sup>38</sup> A summary of the recommendations of the Office of Personnel and of the Rationing Department are contained in a memo from Max McCullough, Deputy Administrator in Charge-of Rationing, to Wallace Sayre, Director of the Office of Personnel, July 2, 1945.

The field organization was necessarily built upon the principle of specialization, qualified only by the need for maximum use of personnel in operations where work load peaks shifted repeatedly. Within the fuel and automotive fields a full appreciation of the value of specialization probably contributed materially to successful field operations. The failure to plan for more specialization in food probably accounted for some of the weaknesses in that area. The Washington divisions had a proprietary attitude over their field personnel, and tried to maintain "exclusive dealership" arrangements; on the other hand, the field rationing executives had to combine tasks or shift personnel as the size and pressure of the job required. In actual practice the application of the principles of specialization and interchangeability were dependent upon current needs. But in the last days of rationing the need to obtain the maximum degree of combination in other fields gained precedence so that more personnel could be diverted to the critical situation in food rationing.

# Size and Apportionment of Field Staff

To provide for specialization, and for adequate performance of field rationing functions, a sizable staff was needed, particularly at the district office level.

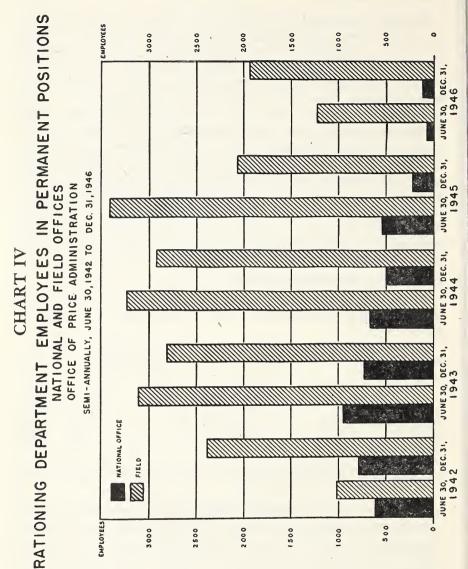
Actual employment in the Rationing Division in regional and district offices at selected periods is shown on the table below:<sup>39</sup>

Dates	Regional offices	District offices	Dates	Regional offices	District offices
June 30, 1942. June 30, 1943 Dec. 31, 1943 June 30, 1944	281 1 584 1 459 1 458	743 2, 526 2, 356 2, 763	Dec. 31, 1944 June 30, 1945 Mar. 31, 1946	1 422 1 450 2 107	2, 504 2, 962 1, 138

These figures include approximately 160 people in the Inventory Control Unit in New York City, which was in reality a service unit to the national office.
 Includes 42 people in the Inventory Control Unit.

Several explanatory comments may be made concerning the variations in staff size shown on this table. The full rationing program was in operation by June 30, 1943, and hence by that time OPA had had an opportunity to estimate staff needs and recruit staffs for the various programs. Decline in regional office personnel after June 30, 1943, was the result of the policy of decentralization, and the consequent effort by Chester Bowles, general manager, to use less staff at regional

<sup>&</sup>lt;sup>39</sup> At any given time almost half of the personnel was classified as clerical and stenographic, and the remainder as technical and administrative. Thus, in the *Appropriations Estimates Fiscal Year 1946, Bureau of the Budget Submission*, the estimated employment for fiscal year 1945 for regional offices (exclusive of the Inventory Control Unit in New York), was 122 technical and administrative, and 122 clerical and stenographic, and for district offices, was 1,424 technical and administrative, and 1,241 clerical and stenographic.



offices and provide more at district offices.<sup>40</sup> The size of the district office staff in the Rationing Division also declined in the last half of 1943, but was built to a new peak by the summer of 1944. This increase in 1944 was at least partially the result of a comprehensive

<sup>&</sup>lt;sup>40</sup> Between June 30, 1943, and December 31, 1943, the total size of the regional office staffs declined from 3,634 to 3,190.

study of field personnel needs by the staff of the executive officer in the Rationing Department. The decline in staff during the last half of 1944 was due largely to two factors: First, the reduction of field personnel in the food sections after the removal of rationing on processed foods and most meat items; second, the transfer of most of the liaison staff to board management at the time the so-called unified board contact plan was put into operation.41 The increase in 1945 was also due to two factors: First, the strong pleas of the deputy administrator for additional staff to handle the larger field rationing task which developed in 1945; and second, the addition of the slaughter control program in April 1945.42 The final figures in the table show the employment for the one operation, sugar rationing, which remained after January 1, 1946. The figure appears large in comparison with earlier figures, but the reason for the large staff in the district offices was the transfer of local board functions on sugar rationing to the district offices.

At the peak of rationing, a typical district office rationing division serving one to one and one-half million people, and 50 to 60 local boards, for all activities might have had a rationing executive, an attorney, a miscellaneous products representative (perhaps with some additional assignment), a fuel oil and stove specialist, a tire specialist, two to four tire examiners, one to three gasoline representatives, two or three food specialists, a currency control officer, and clerical and stenographic personnel of approximately the same size as the technical and administrative staff. There was, however, considerable variation in size of district office staffs, and in the patterns of allocation between the various fields.<sup>43</sup>

In the regional offices, other than New York and Denver, which were not typical, there might have been a rationing executive, two lawyers, a ration currency officer and his statistical assistant, a tire specialist, a regional tire examiner,<sup>44</sup> two gasoline representatives, a fuel and stove specialist, a miscellaneous products representative, two or three food specialists, and an approximately equal number of persons in clerical and stenographic categories.<sup>45</sup>

<sup>&</sup>lt;sup>41</sup> See ch. VIII.

<sup>&</sup>lt;sup>42</sup> On August 31, 1945, the first date on which the field employment reports listed personnel for slaughter control separately, there were 18 persons in the regional offices and 200 in the district offices assigned to the activity. The 1945 slaughter control program ran from April 30 to September 8.

<sup>&</sup>lt;sup>43</sup> The rationing division of the New York district office on June 30, 1945, had 32 technical and administrative, and 62 stenographic and clerical employees; the Chicago metropolitan district on June 30, 1945, had 34 technical and administrative and 28 stenographic and clerical employees.

<sup>44</sup> In four regional offices in 1945.

<sup>&</sup>lt;sup>45</sup> In Appropriation Estimates, Fiscal Year 1946, Bureau of Budget Submission, the following estimates were made of employment for 1945 (see table on p. 78):

The successful administration of the rationing program was seriously impaired by three deficiencies in field staffing.

The first was in gasoline. The staff of OPA learned early that there was wide diversity of practice among local boards in the application of eligibility rules of the regulations. This was confirmed by spot audits of board issuances and by study of issuance reports. There was some disagreement over a reliable procedure for determining the boards through which there was the greatest percentage of overissuance. A few persons in the field believed that the issuance reports would supply a reasonably satisfactory guide on this point; on the other hand, the Gasoline Rationing Branch argued that a periodic spot audit was essential to show the places where there was the most leakage through excessive issuance, and this view was, in general, accepted by the Department.

Whatever may have been the extent of disagreement over the sufficiency of the issuance reports, as indicators of "loose" boards, there was general agreement that the only way to correct overissuance in the loose boards was to make an audit of "B" and "C" and some other types of issuance, and ask the boards to issue rations correctly on the date of the next issuance. It was also generally agreed that tight rationing at 5,600 boards could only be attained if there was continuous work at the points where overissuance was from time to time revealed.

In the fall of 1943, the national office called for a spot audit of boards and a follow-up audit of issuances in those localities revealing the highest percentage of overissuance.<sup>46</sup> Similar audits were made on

	Regional (8 offices)		District (93 offices)	
	Technical and ad- ministrative		Technical and ad- ministrative	Clerical and steno- graphic
Administrative Rationing legal Currency control Foods Tires Gasoline Fuel oil, stoves. Miscellaneous products	16 17 12 21 11	22 26 19 17 8 15 7 8	110 126 116 304 323 232 118 95	137 129 221 303 69 198 81

<sup>&</sup>lt;sup>46</sup> The available figures on national issuance surveys provide a rough measure of the extent of overissuance.

The cumulative figures for the 1943 gasoline audit showed as of December 3, 1943, that there was excessive issuance on 6.8 percent of the supplementals ("B" and "C") and that the average overissuance per excessive ration was 262 miles (estimated on the basis of 15 miles per gallon); that there was excessive issuance on 8 percent of the nonhighway grants and the average amount of the excess was 312 gallons. The percentage of supplementals on which there was overissuance varied from 2.5 in one region to 17.5 in another; on nonhighway rations the percentage varied from 3 to 35.6. It was estimated that by the latest reporting date correction had been made at the boards on 49.2 percent of the supplementals and on 48.3 percent of the nonhighway rations on which excessive issuance

local initiative in some areas. In New England districts, and perhaps a few others, personnel were available to conduct audits throughout the life of the program.

Nevertheless, staff was never available for periodic spot audits or for follow-up audits, except in limited areas and on an occasional basis. The Gasoline Rationing Branch always argued for a permanent audit crew; and in the budget for the fiscal year 1946, the agency pressed for 125 additional persons for district offices for this purpose. By the spring of 1945, issuance reports indicated a big increase in board

had been revealed. The figures are taken from a report of the Analysis Unit of the Reports and Statistics Branch of the Executive Office for Rationing. The report, carrying the title "Gasoline overissuance" pointed out that, due to weaknesses in planning, direction, and execution, there was much inaccuracy in the figures. It concluded, however, that "The audit has resulted in an appreciable saving insofar as corrective action has been taken by local boards."

The reasons for overissuance revealed in this survey were summarized for the field by Charles F. Phillips, Director of the Automotive Supply Rationing Division, in his Weekly Letter No. 23 of October 23, 1943: "For supplementals, nearly 25 percent of the overissuances were caused by issuing to people who were not eligible for preferred gasoline. About 12 percent were simply because of incorrect calculations. For special rations, about 25 percent of all excess was caused by issuance to ineligibles. For nonhighway rations, about 15 percent was caused by incorrect calculations. On fleets, about 40 percent was caused by insuance to ineligibles and about 43 percent was caused by incorrect calculations." (It may be remarked that Phillips' comments indicate that much of the overissuance might have been corrected by close work with the clerks.)

Beginning on January 25, 1945, a national spot check on overissuance was made at the boards. In this instance personnel was not available for a national follow-up audit of loose In a memo from Willard R. Simmons, statistician, to Fred Parker, Director of the Fuel and Automotive Rationing Division, on February 21, it was pointed out that statistics would not give a full measure of overissuance. Many reports on individual applications showed incomplete applications, absence of certification of ride-sharing clubs, etc., and in many of these overissuance was likely; in other cases, such as premature renewal, overissuance was obvious but could not be statistically measured. theless, in a summary of the results in a memo from Parker to Max McCullough on June 11, it was said: "A survey of supplemental rations indicated that approximately 9 percent of the gallons issued in 'C' rations was overissued and about 61/2 percent of the gallons issued in 'B' rations was overissued as of February 1945." Parker added that about 37.5 percent of the number of overissuances of "C" rations was found in some 550 local boards and about 33 percent of the "B" overissuances was also found in about 550 boards. He concluded that, although the survey showed "some 27,500 barrels" daily overissuance of "B" and "C" rations, an allowance for all factors, including a rise in issuance in the spring of 1945 (revealed by issuance reports), would indicate daily overissuance of these two types of rations of "some 60,000 barrels daily," of which 45,000 would probably be found in "C" overissuance. (It may be remarked that 80,000 barrels per day was sufficient to raise the basic "A" ration by 1 gallon per week.) On July 3, 1945, Simmons sent a memo to Parker on "Overissuance of 'C' rations in region I," in which he said that he had studied the results of the January-February spot check in that region, finding as follows: "137 boards were selected in the sample from New England. Of this number, 20 boards showed an average overissuance in excess of 30 gallons per applicant. \* \* \* Thirty gallons per applicant is equivalent to 450 miles per applicant or 150 miles monthly per applicant. Each of the 20 boards showing an average issuance of more than 30 gallons per applicant has a total 'excess miles per month' of more than 15,000 miles for the 100 'C' applicants listed." (He noted the necessity of some editing on the reports on 37 applications from one of the boards.)

Parker concluded in his memo of June 11 to McCullough that efforts should be concentrated on the boards with greatest overissuance. Plans were at once laid for another spot audit, but results had not been reported prior to VJ-day.

<sup>47</sup> This would have made a total of 168 persons to check performance on a program administered by an estimated 11,000 paid board clerks, and thousands of volunteer clerks and panel members.

issuances. Also, OPA was exceeding its allocations and PAW was insisting that OPA bring its issuance into line with the allocations. When VE-day arrived and the allocation was increased, OPA agreed to attack vigorously the problem of overissuance. As the program came to an end, a spot audit had been initiated, but personnel would have been lacking for a full follow-up audit of loose boards.

A second area of inadequate staffing was the currency control program. In the judgment of the head of the Ration Banking Branch in Washington, the inadequacy of field personnel for ration banking was "the most significant failure of the entire (ration banking) program \* \* \* by and large, this difficulty arose from poor judgment made by those charged with the initial installation of the program." The early view of the Rationing Department on field personnel for this program is shown by a memorandum written in the spring of 1943, which recommended a senior clerk in the district office to handle the program and which contained this statement: 40

There are two reasons why we would prefer not to have district ration banking representatives. The first is that we believe the whole program to be insufficient to justify the full time of one man. The second is that much of the job, in any event, is associated with the commodity programs and can be divided up among the commodity representatives.

The need of high-quality technical staff in the ration banking program soon became apparent. Of the 15,000 participating banks, there naturally were some which did not handle the ration currency with the same care that the regular currency of the country was handled; and the failure of OPA to provide for regular contacts encouraged laxity among such banks. For example, there was the case of a bank where it was found that deposits made for the past two years lay in a heap on the floor, no ledgers had ever been set up, no controls of any sort existed, and checks that had been deposited had never been cleared. This was an extreme case, but there were other cases where serious deficiencies should have been corrected.

The answer was to provide for regular visits to banks. The Ration Banking Branch thought that one visit should be made each three months; but a study made during April, May, and June 1945, of the extent of bank visits, showed the percentage of banks visited during the 3-month period, was as follows: In region I, 23 percent; region II, 13 percent; region III, 22 percent; region IV, 27 percent; region V, 42 percent; region VI, 17 percent; region VIII, 28 percent; region VIIII, 21 percent. The national average was 26 percent, or one bank visit

<sup>&</sup>lt;sup>48</sup> OPA believed that one cause of overissuance was the lack of public and board conviction on the need for gasoline rationing, and in the conferences with PAW, after VE-day, PAW promised to sponsor an educational program.

<sup>&</sup>lt;sup>49</sup> Herbert Sioussat, acting executive officer, to the New York regional rationing executive.
<sup>50</sup> The question was originally raised in a memo from Joseph Kershaw to Louis Kroeger, executive officer for the Rationing Department, on May 27, 1943.

per year. However, 26 of the 93 district offices visited 10 percent or less, and 6 of them, including the New York district with 900 banks, visited none.<sup>51</sup>

Other responsibilities relating to currency control were later placed on the ration currency officers. Most of these involved a heavy load of clerical work. No adequate clerical staff and junior supervisory staff was provided, however. As a result there was often no follow-up against dealers who overdrew their bank accounts nor collection from dealers who defaulted in their payments to suppliers; and these administrative weaknesses in turn affected bank morale and dealers' attitudes on adherence to regulations. How much leakage of commodities occurred through looseness in field ration currency controls is not known, but it came to be recognized generally that it was one of the factors contributing to carelessness and wilful evasion in trade handling of ration currency.

The third inadequacy in field staffing was in the food program. This was particularly acute after the restoration of the full rationing program in December 1944. Between July 31, 1944, and December 31, 1944, the number of people working in the food rationing sections of the district offices declined from 588 to 510, and in the regional offices from 45 to 35.<sup>52</sup>

Staffing studies in the field in 1945 showed that many tasks expected of the food field staff were not being performed adequately, or at all. The situation was summarized by Max McCullough, Deputy Administrator in Charge of Rationing, in a memo to regional rationing executives on July 19, 1945, as follows:

Your reports on the work-load studies, the very exhaustive study in the Des Moines district office, and other information available to the Food Division show conclusively that we are not staffed for the thorough and complete job that needs to be done in the field on our various food programs. Our information indicates that food specialists are too often chained to their offices and do not have time to plan positive trade education programs or to get out of the office for trade contacts or contacts with local boards. The staff has not been available to work with local boards on institutional user problems, on home canning, or other programs that are being administered at the local boards. Various kinds of reports \* \* \* are not being given the attention they should have. Special jobs which are prescribed, such as the audit of industrial user files, or the recapture of excess inventories, are not completed according to schedule. 53

In the situation which existed in 1945, the Deputy Administrator considered that the three most pressing needs, in order of urgency, were

<sup>51</sup> The figures are from Joseph A. Kershaw, History of Ration Banking, ch. XIII.

<sup>&</sup>lt;sup>52</sup> The writer recalls that James Kelley, Director of the Food Rationing Division, informed him during the acute meat crisis in the spring of 1945 that a check of district office personnel had shown that there were less than 50 meat specialists in the 93 offices.

<sup>&</sup>lt;sup>63</sup> A report on work-load factors, on forms prepared in the Office of Budget and Planning, was obtained from each district office in January 1945. Further work-load studies were made later in the year; and a comprehensive analysis of operations in the Des Moines district was made by personnel from the Rationing Department, the Office of Budget and Planning, and the Bureau of the Budget.

to increase the size and the degree of specialization of the food staff, to increase the size of the ration currency staff, and to provide the staff necessary for audit of gasoline issuances. Funds were never available for the last objective, but considerable progress was made toward attainment of the first two. The Deputy Administrator strongly recommended that 250 additional field positions obtained at the time the third and fourth quarter allocations were made in the fiscal year 1945 should be used for expanding the food and ration currency staffs in the field offices. When no increase was obtained in the allocation for field rationing staff at the beginning of fiscal 1946, the Deputy Administrator recommended the reallocation of field rationing positions with the purpose of shifting more personnel into the food and ration currency sections. On the basis of staffing studies made during the preceding several months, a suggested pattern of allocation of field positions in each district office was drawn up in the national office with the following general objectives:

- (1) To reallocate most vacancies to food and ration currency operations:
- (2) To effect economies in staff use in order to free additional positions for food and ration currency;
- (3) To provide a more uniform pattern of staffing for various programs.

The plan was a tailoring of the suit to the cloth, to provide the most that was obtainable under existing conditions. The problem was resolved by the arrival of VJ-day.

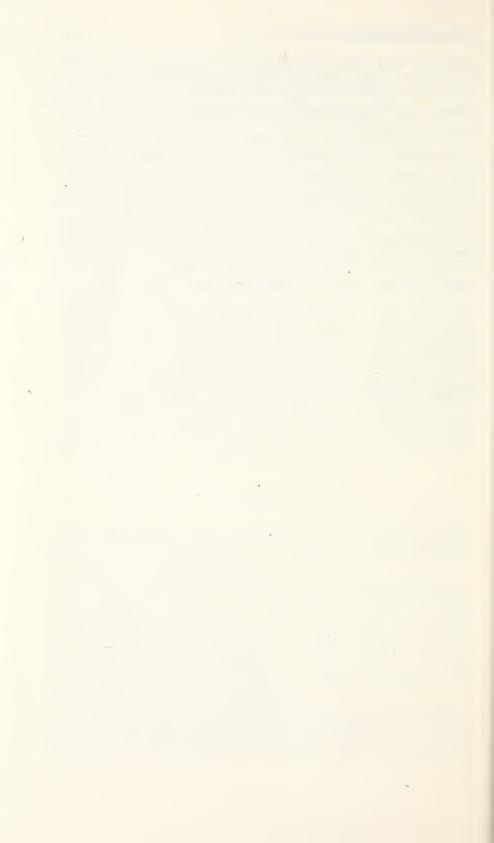
# 3. Summary

The field operations of a rationing program involving a diversified group of commodities were exceedingly complex and varied in nature. To carry out these field operations a staff of considerable size and with a high degree of specialization was needed.

The nature of the field rationing divisions was largely determined by three factors. First, the basic principle of providing specialized staff for each major program was followed, and the same principle was finally applied to ration currency operations. Second, the rationing specialists in field offices had usually had business experience which provided familiarity with trade activities with respect to the commodities assigned to them. Third, the rationing specialists were, on the whole, men with sales experience.

These would appear to have been the sound bases upon which to establish a part of the field organization. The bulk of the work, other than board instruction and supervision, was with the marketing channels of the various trades. Men of experience in these activities would be best able to obtain trade understanding and confidence and to report on the problems arising in trade channels. They would also have some qualifications for the task of explaining and selling programs to local boards.

On the other hand, there were certain deficiencies in field organization and staffing. First, there was the unfortunate failure in October 1944, to recognize the dangers in reorganizing a going field organization without careful consideration of field effects and field reception. Second, there was failure to provide a strong analytical center in regional offices. Such a center might have handled food adjustments, analyzed statistical data, and studied special problems. Third, there was failure to provide for adequate specialization in the field food staff. The marketing channels and problems are different in meat from those in sugar and processed foods, and the problems of institutional and industrial users are peculiar. These differences should have been recognized by continuous planning for field specialization. Fourth, there was a lack of adequate staffing for review of gasoline issuances, supervision of banks and conduct of ration currency operations, and for handling the various field responsibilities of the food program. The results were that gasoline issuances exceeded allocations, banking and currency irregularities were not corrected, and the food program was ineffectively administered.



# CHAPTER

# V

# The Local Board in Rationing— Description of the System

The chief operating unit in the rationing program was the local board. It was the continuing link with most of the people affected by the various rationing programs. It was the main unit for carrying out the biggest task in rationing—acting upon the continuing flow of applications for rations.

The development of the local board system, some of its features, and the general nature of the problems which arose in the system of administration by community volunteers, have already been noted. A fuller analysis of the functions and structure and of the quality of performance of this unusual system of local volunteer administration will be helpful in the appraisal of wartime rationing and of the potential values in nonbureaucratic administration of a centrally formulated code of controls.

In this chapter the functions and structure of the boards are outlined. The following chapter attempts an appraisal of the local board as an administrative agency.

# 1. Functions of the Local Board

The chief function of the local board was to pass upon applications from consumers. These were numerous both as to type and number. In a few cases consumer rations were granted by the district office, or local board action required district office approval, or the decision on rations was made by a central or area board; but the exceptions to local board determination were minor in relation to the total number of rations granted. In most cases the applications were received and acted upon continuously, but for some programs, as in home canning and fuel oil, there were sharp seasonal

peaks. The volume was influenced by different factors: special shoe issuances were large just prior to validation of a new coupon; replacement of war ration books increased as point values were raised, or as the period for use of the books lengthened, or as men were released from the armed forces. Furlough rations rose to a high peak as the number of men entitled to furloughs increased. At different times varying factors accounted for a heavy volume, but boards became accustomed to carrying seasonal or other special peak activities in addition to the continuing and evenly distributed loads.

Boards also were responsible for a number of different types of actions affecting the trades which sold or used rationed commodities. Prior to the movement of industrial user files to district offices—between May 1944, and the summer of 1945, in the various districts—the boards issued rations to industrial users. Prior to November 1945, they issued rations to institutional users. They passed upon applications from gasoline dealers for "replenishment" of gasoline lost through evaporation or other normal wastage. They received points from farmer-producers who sold rationed commodities. They were centers for registration of different types of business, kept inventory records in some cases, and did a variety of other things relating to the different trades.

The boards had certain functions in relation to currency. Prior to ration banking they were the change makers. They could, under certain conditions, receive and destroy currency. They originally issued currency to all those found eligible; and, although the routine task of issuing the currency was largely transferred in some areas to mailing centers, the boards continued to issue a large amount of currency and to authorize issuance by the mailing centers.

The boards had the responsibility of coordinating all activities relating to the initial issuance of war ration books.<sup>1</sup> In some cases the boards themselves issued the basic "A" book for gasoline rations. They always had the task of handling late registrants for books.

The boards had responsibilities concerning trade and community information. When the press carried notices of program changes, local members of the affected industries called the boards for further details. When the canning season arrived, or other important developments affecting consumers occurred, consumers telephoned or came to the boards for information. In the early days much literature was sent to the boards for distribution to the affected trades. The boards helped in consumer information programs. Through their community service member or panel, they channeled information to the press and com-

<sup>&</sup>lt;sup>1</sup> Except for War Ration Book III, which was not issued locally.

munity groups. Members of the boards were called upon to speak at clubs and before trade groups.

The boards kept reports on issuance and submitted these to the district office. They also served as a channel of communication to the district office on community complaints on the regulations.<sup>2</sup>

Boards were given authority under some rationing regulations to revoke or suspend rations because of violations of the regulations. For example, the gasoline rationing order contained the following provision:<sup>3</sup>

Whenever a person violates any provision of Ration Order No. 1A or this Order or whenever any other person using a motor vehicle on his behalf or at his direction or with his consent, violates any provision of Ration Order No. 1A or this order, any board, after hearing, may, in its discretion revoke and suspend his rations in whole or in part (and in such a case require the surrender to it of coupons, coupon books, or other ration evidences, and any folder outstanding in connection therewith, and prohibit him from using any gasoline which is a part of any ration which is revoked or suspended by such order), and deny him a ration or rations, in whole or in part, for such period as it may deem appropriate in the public interest.

Where local boards were granted authority of this type, detailed provisions concerning administrative procedure were included in the orders.

# 2. The Structure for Local Service

Implicit in the establishment of the boards was the idea of local administration of the rationing program. To attain this end, OPA established local boards, distribution officers, plant-site and plant-area boards, plant-site and plant-area panels, plant transportation committees, and area boards.

#### Local Boards

Frank Bane's letter of December 19, 1941, to the governors, allowed much flexibility in the location and number of boards: "These boards

<sup>&</sup>lt;sup>2</sup> Administrative Order No. 4 (revised), sec. 3, enumerated the following particular functions of local boards:

A. To inform the public of the nature, purposes, and methods of price control and rationing.

B. To inform the district offices of public response to OPA's programs, and the need for changes in operating procedures.

C. To act on all ration matters assigned to local boards.

D. To act on all price matters assigned to local boards, and to conduct educational and compliance programs at retail.

E. To receive complaints of price violations and take such action on them as is required by OPA regulations and instructions.

F. To maintain prescribed records, prepare specified reports on actions taken.

G. To cooperate in price and rationing surveys undertaken by the district office.

H. To provide local leadership for meeting community problems associated with the price control, rent, and rationing programs.

<sup>&</sup>lt;sup>3</sup> Revised Ration Order 5-C, sec. 1394.8105. For a summary of a variety of circumstances in which the boards might revoke the grant of a tire certificate, see Ration Order No. 1A, sec. 1315.653.

should be established in every political subdivision." "In the larger political subdivisions—the municipalities and larger counties—it will without doubt be necessary to arrange for the appointment of more than one local rationing board to handle the volume of applications or certificates, and to avoid hardship through delay and, above all, queues of persons waiting to be served."

A result was great variation in the patterns of board location. Where the township was the unit of location, as in Massachusetts and Connecticut, a large number of local boards serving small areas resulted. Where county units were used, a relatively small number of boards existed. Within metropolitan areas there was also wide variation. There was one board in the city of St. Louis and one in the county of St. Louis, six boards at two locations in Manhattan Borough in New York City, 85 boards in Philadelphia, 155 in Chicago, 55 for Cuyahoga County, of which all but four were outside the city of Cleveland. In all, about 7,500 boards were originally established to administer the tire rationing program.

There was some reanalysis of board locations in the spring and summer of 1942, resulting in a suggested plan for reorganization, dated April 27, 1942, which was sent to the field.<sup>4</sup> The standards set out in this plan were complex, but the two main guides were:

(1) At least one board per county;

(2) A general population standard of one board for every 50,000 population.

As a result of the reorganization program, the number of boards was reduced to less than 5,600, and thereafter the number remained between 5,300 and 5,600 until after VJ-day.<sup>5</sup> In addition to reducing the number, the reorganization sought in some cases to provide improved service to the public. Thus, in Cuyahoga County, Ohio, the number of boards was reduced from 55 to 29, but the number in the city of Cleveland was increased from 4 to 12. Except for such consolidations, the patterns for board location in the various parts of the country remained substantially unchanged.

The use of the township as the unit of administration in Massachusetts and Connecticut came to be regarded as an unfortunate occurrence. It resulted in increased costs of operation and created an enormous problem of instruction and supervision. Moreover, there were great difficulties in administering a quota system among the 365 boards in Massachusetts, since the pool to be divided was already small.

<sup>&</sup>lt;sup>4</sup> "Plan for reorganization of the local boards of the Office of Price Administration." <sup>5</sup> In continental United States there were 5.388 boards in November 1943, 5.520 in August 1944, and 5.437 in July 1945. The number for July 1945 reflects some consolidation effected in metropolitan boards during the preceding several months.

As the practice of accepting applications by mail developed, the need for multiple locations in metropolitan areas declined. It would undoubtedly have been possible to administer the rationing program effectively and without substantial inconvenience to the public from a somewhat smaller number of boards, and discussion of further consolidation continued to VJ-day. The elimination of a board location, however, frequently brought a storm of protests through political and other channels.

With the elimination of a number of rationing programs after VJ-day and the anticipated elimination of all rationing, except of sugar, by or soon after January 1, 1946, plans were made to reduce the number of local boards to the minimum required for the price control program. The plans developed after VJ-day called for reduction to about 2,000 boards by January 1, 1946. However, for persons needing a tire rationing certificate, quick and easy access to a board was frequently necessary; and the Tire Rationing Branch estimated that the tire program could not be effectively administered with less than about 3,000 boards. For this reason, the field offices were instructed to stagger the closing of boards, and to plan the reduction in such a way as not to impair the administration of tire rationing, which was continued until December 1945.

## Distribution Officers

To provide service to persons residing in outlying sections, volunteer distribution officers were appointed. It was their function to store and issue application forms and other OPA materials. In August 1944, there were 1,406 boards with distribution officers.

#### Plant Services

To further localize its service, OPA provided for boards or panels at some plant sites, and for boards or panels to serve areas in which there were industrial plants employing large numbers of people. In August 1944, there were 29 plant-site boards, 195 plant-site panels, 36 plant-area boards, and 202 plant-area panels. A panel which was part of a board serving a larger area was preferred because the problem of supervision of independent boards at plant-sites was somewhat more difficult.

The plant transportation committee was the most important link between OPA and the industrial plants. In August 1944, there were 20,897 of these committees. The committees developed car-sharing plans for employees and made a preliminary examination of the eligibility of applicants for tire and gasoline rations, particularly as to conformity with car-sharing requirements.

#### Area or District Boards

In some cases, central boards were established to issue particular types of rations in a large area or even for an entire district. There were three notable examples in New England. First, at a time when there were 357 boards in Massachusetts, only 34 issued automobile certificates because the quota was too small to divide among so many boards. Second. in Connecticut, where boards were established in each township, there were eight county boards which issued all truck tire rations. Again the reason was the difficulty of allocating small quotas among more than 150 boards. Third, in Rhode Island, there was a State board which issued certain types of rations, such as fueloil rations to industrial users, and food rations for a considerable period to industrial and institutional users. Another outstanding example was in the Cleveland region. When industrial users' files were moved to district offices in most districts, they were transferred in the Cleveland region from local boards to district boards, or to a few area boards within a district. At the same time, the issuance of rations to institutional users was transferred from the local boards to the area or district boards. There was, in addition, one case where the area or district board system was instituted in all districts. For the month of August 1944, the Rubber Director allocated for civilian use only 60,000 large truck and bus tires, that is, those having a crosssection size of 8.25 and over, as compared with allocations of 135,000 for July, and 125,000 each for May and June. Effective rationing of the small supply was not possible through allocation of quotas to approximately 5,600 local boards. Consequently, one or more emergency truck tire boards were established in each district. Thereafter all applications for large truck tires were adjudicated by these central tire boards.

# 3. Structure Within the Local Board

In the work of the board, a basic distinction was made between adjudication, that is, decision upon applications, and clerical activities. Adjudication was a responsibility reserved to board members. These were unpaid volunteer citizens. In addition to board members who passed upon applications, and the paid clerical staff, there were volunteer workers, perhaps a volunteer supervisor, and usually a community

<sup>6&</sup>quot; 'Adjudicative Action' means the granting or denial of rations in cases where judgment must be used to determine eligibility for the ration. For example, issuing a supplementary gasoline ration is adjudicative since judgment is necessary in determining whether eligibility requirements are met; issuing a basic gasoline ration is not adjudicative since all passenger car owners are entitled to this ration. The suspension, revocation, or withdrawal of any ration is also adjudicative action." Administrative Order No. 4 (revised) pt. II-r, sec. 4-G

service member or a community service panel. The over-all responsibility for leadership, coordination and successful operations rested on the board chairman. Brief comments about each of these elements in the board structure will clarify further the plan of operation.

#### Size and Panelization of the Board

The original tire rationing boards had three members. As the number of rationing programs and the volume of adjudication increased, it became necessary to increase the size of most boards. By May 19, 1942, instructions from Washington provided for a minimum of three, and a maximum, "except for unusual circumstances," of 12.7 Later, that limit was abandoned, and boards serving large numbers of people came to have above 50, 75, or even 100 members. Statistical figures on board membership, however, must be used with caution. Out of consideration for their feelings, when members became inactive they were not dropped from the rolls, unless in cases of misfeasance; instead, new recruits were sought and added. Dead wood cost nothing here, and an agency so dependent on volunteer participation could not afford any other policy.

The instructions of May 19, 1942, also referred to the advantage of specialized panels to enable board members to "become thoroughly familiar with particular phases of the work of the board." They provided, however, that "In each case the membership of the board as a whole shall determine whether or not the panel shall be used." As an example, the instructions referred to the possibility of having one panel for automobiles and tires, another for all other rationing programs, and another for retail price control.

With the addition of other programs, the need for panelization became greater. By May 1943, the instructions provided that "The panel system, with each panel specializing in one phase of board activities, shall normally be used," 10 and by December 1943, the word "normally" was dropped.<sup>11</sup>

An analysis as of July 31, 1944, showed the extent of panelization after the full development of the rationing and price programs. At that time there were 17,738 rationing panels, or an average of 3.23 panels per local board in the continental United States. As a rule the extent of panelization varied with the size of the load carried by the board. This is shown by the following table:

<sup>&</sup>lt;sup>7</sup> Field Administrative Letter No. 3, sec. 2-D.

<sup>&</sup>lt;sup>8</sup> Sec. 2-E.

<sup>9</sup> Ibid., subsec. F.

<sup>&</sup>lt;sup>10</sup> Administrative Order No. 4 (revised), II, subsec. F, May 7, 1943.

<sup>&</sup>lt;sup>11</sup> Administrative Order No. 4 (revised), H-r, subsec. F, December 27, 1943.

<sup>&</sup>lt;sup>12</sup>The figures were taken from Field Reports, OPA Form 161-1, for the month of July 1944.

Number of people served	Number of boards	Number of rationing panels	Number of rationing panels per board <sup>1</sup>
Less than 7,500	1,500	3, 833	2. 55
	1,254	4, 047	3. 30
	1,388	4, 691	3. 38
	668	2, 526	3. 78
	488	1, 783	3. 65
	185	858	4. 20

<sup>&</sup>lt;sup>1</sup> Also, by this time 1 or more price panels had been organized in all except the smallest boards.

There was never as much panelization as was needed for thorough familiarity with program standards and the extent of panelization revealed in the foregoing table was achieved against great resistance within some boards. This resistance is discussed further in the next chapter.

#### Paid Staff

The clerical staff and clerical operations were under the supervision of a chief clerk, appointed by the board chairman with the prior approval of the district director, or of the board operations officer if the district director had delegated this authority to him. He was the chief administrative aide of the chairman and the office manager of the board.

#### Volunteers 14a

A large number of uncompensated volunteers assisted in the clerical or routine work of the boards. It was OPA's policy to encourage the use of volunteers, first, because of the inadequacy of the budget for clerical help, but also to provide for community participation. Frank Bane urged the governors "to use the volunteer participation to as great an extent as possible," <sup>15</sup> and the use of volunteers in routine operations remained "a necessary and integral part" of the system.

These volunteers were of two types.<sup>16</sup> There were the "regular volunteers," who normally worked regularly for 35 or more hours per month. Among other things, they served as receptionists, recording and reporting clerks, filing clerks, counter clerks, stenographers, or typists, or posted the Loose Leaf Service, issued food books, mailed food and mileage books, and wrote authorized "B" and "C" books.<sup>17</sup>

<sup>&</sup>lt;sup>13</sup> Called in the early days of the program "the executive secretary of the board." Each board with more than one full-time paid clerical employee had a chief clerk.

<sup>&</sup>lt;sup>14</sup> Administrative Order No. 4 (revised), sec. 5-B, May 7, 1943.

<sup>14</sup>a See Imogene Putnam, Volunteers in OPA, OPA Series of Historical Reports on War Administration, General Publication No. 14.

<sup>&</sup>lt;sup>15</sup> In his initial letter of December 19, Bane had suggested that stenographic and clerical help be borrowed from the regular governmental departments in municipalities or in the counties; but in a letter of December 29, he added the above reference to volunteer participation.

<sup>&</sup>lt;sup>16</sup> A third type, price panel assistants, assisted in the price program.

<sup>&</sup>lt;sup>17</sup> OPA Manual, sec. 2-7218.

In addition, there were "peak load volunteers" who helped on such tasks as the issuance of war ration books, the initial issuance of fueloil rations, issuance of home canning sugar and of institutional user rations.

It became evident that there was need at the local boards for a supervisor to specialize on volunteer recruitment, training, use, and retention. In December 1942, a special volunteer supervisor was appointed in the San Francisco district, and by April 1943, 65 of the 90 boards in the San Francisco district had appointed volunteer assistance supervisors. Following this the Washington office completed a plan for use of volunteer assistance supervisors in each local board. This plan was part of a new emphasis in Washington on positive action for recruitment, retention, and training of volunteers.

Nevertheless, appointment of volunteer supervisors was slow. In July 1944, over a year after the directive to appoint volunteer assistance supervisors, only 1,112 boards had appointed supervisors. With continued effort the number was increased by July 1945 to 2,271.<sup>19</sup>

It was difficult at first to define precisely the position of the volunteer assistance supervisor and the volunteers in the board organization, particularly with reference to the chief clerk. The volunteers worked along with the other clerks on operations for which the chief clerk was responsible; on the other hand, the volunteer assistance supervisor was responsible for the recruitment, morale, and retention of the volunteers. Experience dictated that the position of the volunteer assistance supervisor should be given dignity and prestige within the board organization. Consequently, the supervisor was made a staff aide of the board chairman, and a member of the chairman's coordinating committee. The supervisor was instructed to confer with the chief clerk regularly, to ascertain what percentage of the regular office work could be assigned to volunteers, and to have available for the chief clerk "a trained volunteer staff that may be assigned to specific places in the board operation to supplement the regular clerical staff." 20 Also, the administrative regulations provided that the volunteers should be assigned to panels and work under their technical direction.21 Actually, however, neither the volunteer assistance supervisor nor the panels were at the board regularly, and much of the training and direction of the volunteers was provided by the chief clerk or the senior panel clerk. Inevitably, the volunteer clerks depended upon the paid clerks to give them some of the job instructions; and

<sup>&</sup>lt;sup>18</sup> Field Administrative Letter No. 23, pt. II, sec. 2, May 3, 1943.

<sup>&</sup>lt;sup>19</sup> Figures are taken from the 161-1 reports for July 1944 and 1945. Delay in appointing supervisors was no doubt due, in part, to delay in providing volunteer supervisors at the district office level.

<sup>&</sup>lt;sup>20</sup> OPA Handbook for Volunteer Assistance Supervisors, p. 2.

<sup>&</sup>lt;sup>21</sup> OPA Manual, sec. 2-7218.

a spirit of cooperation and understanding, which lay at the basis of the volunteer system, was more significant than the rules of operation.<sup>22</sup>

#### Community Service Members and Community Service Panels

A community service member was provided for in a directive of November 2, 1942.<sup>23</sup> The chief function of this member of the board initially was to get local publicity for OPA information. To enable him to perform this function, the Information Division of the district office sent him news releases and other informational materials. Usually the community service member was a local newspaper editor.

Under the original plan the member was to be assisted by a local committee. Later, in order to give further emphasis to the community education program, an effort was made to get community service panels organized. These were to include representation of major community groups. A typical panel might have an editor, manager of a radio station, superintendent of schools, woman's club leader, perhaps a union representative or a farm representative, and someone from the men's service clubs.

The effort to get panels organized was only partially successful. By August 1944, there were panels in 2,673 of the 5,548 boards; and by May 1945, there were panels in 3,450 of the 5,536 boards in existence at the time.<sup>24</sup>

The functions of the panels extended to local publicity and community education. The more active panels engaged in a variety of activities. They issued releases to the press, usually in the name of the board chairman. They arranged for local radio broadcasts, such as spot announcements on program changes and interviews with housewives or others explaining a major program development. They arranged for speeches before women's clubs. They promoted essay and poster contests in the schools, arranged for school plays, and for visits of school children to the boards. They sometimes maintained close contact with city editors, and occasionally answered a critical editorial. They were particularly active on certain special campaigns or program developments, including the following: "Food fights for freedom", in the autumn of 1943; educational campaigns on ration banking and ration tokens, when these were introduced; the gasoline coupon endorsement drive of February 1944, and the anti-gasoline black market campaign in April 1944; and the educational program following the cancellation of food stamps in December 1944.

<sup>&</sup>lt;sup>22</sup> For a discussion which emphasizes the importance of the volunteer assistance supervisors' position in the board, see Donovan Q. Zook and Theresa F. Zook, *The Use of District Offices and Volunteer Local Boards in Administering the Programs of the Office of Price Administration* (M. A. Thesis, American University, 1946), pp. 81-84.

Local Board Administrative Letter, Organization No. 4.
 OPA Form 161-1, reports for August 1944 and May 1945.

#### The Board Chairman

Administrative regulations said little about the authority of the board chairman beyond the statement in Administrative Order No. 4:

Authority and responsibility of the board chairman.—The board chairman, or any five duly constituted members of the board, shall have authority to call meetings of the board. He shall be responsible on behalf of the board for supervision of the chief clerk and the subordinate clerical staff.<sup>25</sup>

He could appoint the chief clerk with the prior approval of the district director or the board operations officer, and approve or disapprove the appointments of other clerks as made by the chief clerk. The district director appointed board members and determined the number of members, but he was influenced by the attitude and recommendations of the chairman. The district director also approved the location of the board, and the regional administrator, on the recommendation of the district director, could establish plant area boards and special metropolitan boards; but recommendations on such matters might come from the board chairman.

The complexity of board operations, the size of boards, and the part-time service of board members made necessary overhead coordination and strong leadership. The success of board operations in a community usually depended to a large extent upon the ability and readiness of the chairman. He was, therefore, expected to provide the initiative in planning for proper board location and organization, determining the number of panels and members needed, finding suitable members, obtaining community understanding and participation, maintaining board morale, and meeting any crises which arose.

Many of the chairmen who came in at an early stage occupied a dominating position in board management. Others rose to such a position through sheer necessity for leadership. Others, on the other hand, failed to rise to the position of general managership which, though undefined in the administrative orders, nevertheless was demanded by circumstances.

#### Size of the Structure

Some measure of the magnitude of local board operations for the country as a whole, and of the extent of uncompensated and compensated service in these operations may be obtained from the statistical summaries for a month when price and rationing operations were at their peak.<sup>26</sup> In August 1944, there were 5,520 boards with 18,033

<sup>&</sup>lt;sup>25</sup> Administrative Order No. 4 (revised), II-r, sec. 4-H, December 27, 1943. The earlier draft of May 7, 1943, said: "The board chairman shall have authority to call meetings of the board and to determine the order of business. In adjudicative proceedings, his vote shall be equal to, but of no greater weight than, that of any other member. He shall be responsible on behalf of the board for supervision of the chief clerk and the subordinate clerical staff."

<sup>&</sup>lt;sup>26</sup> The figures are for the continental United States. They represent a consolidation of the 161-1 reports for August 1944.

rationing panels and additional panels for the price program. There were 98,641 board members who served an estimated 1,230,567 hours. There were 35,110 full-time paid employees, and 667 part-time paid employees. Of the full-time paid employees it was estimated that 25,546 were rationing clerks.<sup>27</sup> There were 29,828 regular volunteers doing clerical work and serving an estimated 507,911 hours. There were 19,746 peak load volunteers serving an estimated 166,745 hours.

<sup>&</sup>lt;sup>27</sup> Plus whatever number served in one district which did not report on this item.

## CHAPTER

# VI

# The Local Board in Rationing— An Appraisal

It is difficult to appraise an operation into which program diversities, geographical differences, personal attitudes, and local resource-fulness wove such varied strands. Objective data, particularly in statistical measurement, fail to provide the substance for analysis. What one seeks is the quality of a moving operation. Something of its flavor may be found in the rich stack of "closing" comments and "histories" from the pens of the board members and clerks, or in conferences with the supervisory staff.

## 1. The Setting

The point of departure is clear. No understanding of this administrative organism is possible apart from its setting. The typical local board started in a single loaned room, with a borrowed clerk, without filing cabinets or other adequate equipment, and with no real understanding of the size and nature of the task which lay ahead. Instructions came fast, legal language required study, application forms and boxes of currency crowded the limited quarters. Luncheon clubs, dealers, and people generally wanted to know who could get a tire and how. Soon there were applications to be weighed against the legal language, with the scales perhaps tipped by a sense of equity or human kindness.

Soon there were more programs and more legal language. Soon there were bales of war books and applications. There were days when the people swarmed into registration centers. Then people stood in line at the boards—they didn't get their books on registration day; they wanted canning sugar; they wanted an answer or an explanation. Then came gasoline, fuel oil, shoes, blue points, and red points. And always changes, more changes, more legal language,

more instructions, more forms, more things to do. And then there were people visiting from the district office—some helpful, some not, often several on the same day.

Early in the process, there came the welcome news that Washington would give money for clerks, space, and equipment. But Washington was slow, rarely too generous, and things had to be done according to rules, with competitive bidding and other procedural requirements.¹ Always the work seemed to come faster than the allotments for space, equipment, and clerks. And the typical board moved once, twice, or three times to larger and more convenient quarters.

There was night work. The job soon held men from their businesses 2, 4, 6 hours a day. More volunteers had to be obtained—by request, begging, or pressure. More people complained, and the Washington explanations didn't meet the grass-root objections.

But this was war. Men and women welcomed the chance to do their bit. And here also people could help meet a community war responsibility. Here was a chance for service, and for fervor and pride of contribution.

For some, the opportunity for war service was truly tremendous. For these, of course, there was also prestige, community position, and leadership. Nevertheless, there was community prestige because of the devotion of time and energy to the war program.

Rationing, at least initially, seemed to fit with the consciousness that men should sacrifice during war. Washington might blunder, regulations might become complex, forms might come late, reporting requirements might be vexatious; but the war job in the community would be done. And after all, too, people had to have their rations.

Lots of work, little time, limited resources, baffling rules, and stacks of papers. This was the setting in which nonbureaucratic administration of emergency controls operated with wartime zeal.

#### 2. Mechanical Operations

Mechanical operations were heavy and varied. Applications had to be mailed, incoming applications checked for adequacy or correctness of information, applications filed, reports made. Detailed computations had to be made on some applications—for example, institutional user applications. For internal accounting on currency issuance a document register had to be maintained on which the name of each recipient and the amount of each ration was shown. Currency had to be checked out to issuance clerks and their accounts checked at the

<sup>&</sup>lt;sup>1</sup> It took a long time to clear the bills incurred by the local boards without conformance with the rules on Government purchasing and contracting.

end of the day. These and other activities filled the day for the clerks.

The boards, under prevailing conditions, met the test well on these operations. They got out the rations, kept the document registers, made reports. The problem of office management, however, was not always so well met. In boards serving a large number of people, the economy of operations and the convenience of the public would be materially affected by office arrangements and organization and by procedural flows. Much depended upon the experience and managerial ability of the chief clerk or the board chairman. This was particularly true because of the failure of the supervisory officers from the district office to provide adequate aid on office management.

## 3. The Problem of Composition

Mechanical operations were the responsibility of the chairman, the chief clerk, the volunteer assistance supervisor, and the paid and volunteer clerical staff; but the members of the boards formed the local juries which passed upon the eligibility of applicants for rations. The type of members selected for boards was of paramount significance in attaining the two objectives of correct decisions and community acceptance.

OPA's policy on board membership included a number of standards.<sup>2</sup> First, there were standards designed to insure personal fitness. In the list of qualifications for board members, this one was listed first: "Fair-mindedness, integrity, and respect of their neighbors." In addition, members should have an "appreciation of the objectives of the rationing, rent, and price control programs," and "a high regard for board membership as a public trust, rather than as an opportunity to promote a special viewpoint."

Second, there was a standard of disinterestedness. In December 1941, Frank Bane, after a conference with representatives of the tire industry, sent a wire to the governors asking that tire dealers not be appointed to local boards.<sup>3</sup> In the crystallization of field instructions in Field Administrative Letter No. 3 of May 19, 1942, this standard was announced: "No person engaged or financially interested in the selling of commodities shall participate, as a board member, in board, price, or rationing activities involving the field in which he is inter-

<sup>&</sup>lt;sup>2</sup> These were contained in the statement of qualifications of board members, first in Field Administrative Letter No. 3, May 19, 1942, then in Administrative Order No. 4 (revised), pt. II, May 7, 1943, revised as pt. II-r on December 27, 1943, and finally incorporated into OPA Manual, ch. 1-105.

<sup>&</sup>lt;sup>3</sup> The industry, as represented in the conference, desired that the exclusion be explicit, to forestall criticism.

ested." Later, the last part of the quoted statement was changed to read: "Involving the interest of himself or a competitor."

This standard was difficult to apply because of the attitude of many board chairmen and field employees, who believed that inclusion of persons from affected industries would strengthen the panels.

In the opinion of the author, however, OPA erred in not insisting more strongly on strict application of its policy concerning the disinterestedness of board members. Fleet operators of trucks sometimes served on gasoline panels which passed upon the sizeable rations for this group and restaurant proprietors on food panels, whose chief function was to examine carefully the dependability of statements of proprietors concerning sales and dollar revenues. Embarrassing situations developed as a result of these types of representation on the boards. Where bulk or quantity rations to the trade were involved, decisions by persons not connected with the trade were especially needed to maintain public confidence. Where specialized industry information was needed, an advisory committee would have been appropriate.

A third standard for board composition was representation of all the important groups in the community. This policy was described as representation of "the community as a whole," it being assumed that full representation was unlikely to be achieved in practice without participation by members selected from each of the major distinguishable segments of the community.

This policy and concept of representation was stated as follows:

The membership of each board shall be such as to represent the community as a whole. Selection of all members of any one board from the same political party, sex, religious faith, race, economic level, social level, or occupation, shall be avoided except as under special circumstances such selection may be necessary and unavoidable.

When appropriate, the boards, and the panels thereof, should include a house-wife and members from labor, from agriculture, and from various minority and racial groups.<sup>4</sup>

The argument could be made that reflection of community composition was an extraneous consideration in the organization of an adjudicatory body, and that emphasis on this factor might even lead to

<sup>&</sup>lt;sup>4</sup> Administrative Order No. 4 (revised), pt. 2, sec. 4–B, May 7, 1943. The earlier statement in Field Administrative Letter No. 3, May 19, 1942, had not included the word "race" in the first paragraph of the quoted language, and the second paragraph had read as follows: "Membership of the individual boards should include members from labor and, where appropriate, members from agriculture." As amended on December 27, 1943, the statement read: "When appropriate, the board membership should include a housewife, and members from labor, agriculture, business, the professions, and consumers, and various minority and racial groups." The successive statements indicate the interest of OPA in including labor members in 1942, and added emphasis upon representation of racial groups in 1943, and finally, a desire to get a balanced statement which gave recognition to all economic groups.

a distorted view of the purpose of adjudication. It should be noted, however, that the standard of representation of "the community as a whole" was combined with the basic standards of personal fitness, among which was "A high regard for board membership as a public trust, rather than as an opportunity to promote a special viewpoint." Moreover, insulation against special viewpoints may sometimes be obtained through widening of membership. This is especially true in a system of lay justice unaccompanied by the safeguards characteristic either of judicial or administrative justice. Adjudicative action according to rules was the objective; but there was discretion under the rules and discretion in spite of the rules. Biases toward or lack of understanding of the needs of unrepresented groups might have had a material effect on actual trends in decisions.

There were additional advantages in representation of the community "as a whole." One merit of adjudication by local volunteer citizens was that it was a means of gaining acceptance of the fairness of individual decisions. More than that, it was a means of developing an attitude of community participation in the rationing program. For these advantages in attitude, the broadest participation was necessary.

Realism and idealism combined to dictate this goal. A group-conscious labor movement noted the "businessman" composition of the original boards and urged that labor be represented. A labor advisory committee was formed in OPA in the spring of 1942 and became a focal point for urging wider representation for labor. Representation of the community "as a whole" met the desires of the labor group and gave an opportunity to enlist "grass roots" labor cooperation in the program. Parallel to this was the growing concept that the program should be democratically administered and that participation by the community "as a whole" contributed to the democratic nature of the system. As time passed original cause could be overlooked in the "folklore" of democratic participation.

It may be concluded that emphasis upon the objective of representing the community "as a whole" was both inevitable and desirable in the system of community administration. It was inevitable that groups outside should demand representation and that persons within OPA responsible for presenting the needs of such groups as labor and consumers should stress the need of their participation. And it may as well be recognized that as the system did operate, there was some scope for favoritism and prejudice and that one means of establishing a balanced viewpoint in the boards and insuring equal justice was to provide for participation of the various groups affected by the program. And finally, the system did have the merit of providing participation and training for community leadership to groups which

whole:5

have frequently been excluded from such participation and leadership. How well was the objective of general community representation attained? No overall summary can answer this question for particular boards and sections of the country, but the following table will indicate the contribution of various groups for the country as a

	Number of boards	Number of members
Clergymen	1, 299	1, 740
Housewives	3, 954	19, 435
DoctorsEducators	941 2,708 3,450	1, 257 4, 972 9, 007
Labor (organized)	2, 223	5, 135
Labor (unorganized)	1, 008	3, 357
Lawyers	2, 185	3, 862
Merchants (food)	2, 402	4, 325
Merchants (other than food)	3, 943	18, 282
Negro members	103	529

Except for noting the large number of merchants (businessmen would probably have been a more accurate heading) and housewives, and the relatively small number of lawyers, discussion of only two parts of this table is necessary.

It can be seen that labor, both organized and unorganized, was represented in considerable numbers. This was the result of a strong effort on OPA's part to obtain labor representation. The original pressure for broadening the composition of the boards came largely from organized labor. Labor's stake in the success of OPA's program and the desire to secure its active support led to strong pressure from the Washington office to put labor members on panels in industrial areas. At one time, Washington directed that a labor member be placed on each panel in all industrial areas.6 To some members of the staff this seemed to go beyond the requirements of full community representation and this precise degree of representation was not achieved or even attempted for any appreciable period of time. In some places. resistance to labor representation developed within the boards or the paid field staff, but the figures for the country as a whole show a substantial degree of success in the effort to obtain labor membership.7

Although the national office also urged that minority racial groups be included, the results shown by the table are not very impressive.

<sup>&</sup>lt;sup>5</sup> From 161-1 reports for August 1944. The tabulation covered 5.520 boards. It should be noted that figures of this kind came from so many sources and were based upon such incomplete reporting that allowances must be made for some degree of inaccuracy.

<sup>&</sup>lt;sup>6</sup> Memo to regional administrators and district directors from Prentiss M. Brown, Administrator, March 9, 1943.

 $<sup>^{-7}</sup>$  Zook and Zook, op. cit., pp. 72–74, gives a good summary of the Washington attitude on the problem of labor membership.

There was, however, some real success in this policy in some areas where Negro participation has heretofore been limited. Thus, in 27 boards in Florida, Georgia, North Carolina, South Carolina, Virginia, and Tennessee, there were 204 Negro members. This result was achieved in region IV by the organization of all-Negro boards serving areas populated by Negroes. Thus, in Charlotte, N. C., there were three colored boards with 35 members. On the other hand, there were no colored members in the States of Mississippi, Alabama, Louisiana, Arkansas, or in the Memphis district, and only two in the State of Texas. Outside the South the results of the effort to obtain Negro membership varied. There were no Negro members in St. Louis, only 3 in Indianapolis, only 19 out of a total of 1,608 in the Chicago metropolitan area. There were 41 in Detroit, 130 in New York, 16 in Cleveland, 3 in Boston. The conclusions which can be drawn are these: There was a striking amount of success in the effort in some southern areas, a notable failure in some southern and northern areas, and a reasonable amount of success in certain other northern areas.

The imprint of official policies on actual board composition was restricted by certain refractory influences of attitude and circumstance. We have noted that the original boards had only three members and were composed, in the main, of businessmen. The growth of the job demanded enlargement, the complexity and distinctness of several of the programs called for specialization, and the policy of representing the community "as a whole" required broadening of membership.

In many cases the chairman and the original board members, and a small number of additional members, did not wish to share the power and prestige of board membership, or to add to the complexities of administration involved in the management of a large board. They either underestimated the size and diversity of the job, or were willing to carry heavy burdens, or depended on clerical aid on adjudication. The latter, of course, was a danger in small, overburdened boards. The parallel danger in lack of specialization was failure to master the eligibility requirements under which adjudications were to be made. Because of these dangers the national office pushed the campaign for panelization, but in many cases met strong resistance.

In many boards also businessmen desired to avoid labor membership. In still other boards the barrier to Negro membership was impregnable. These attitudes were often shared by district or regional office personnel who were responsible for board membership. In such cases there was a lack of enthusiasm and vigorous effort to carry out the national policy.

The principle of disinterestedness was also questioned by many. Some board chairmen and field office personnel emphasized the importance of technical knowledge on industry matters and underem-

phasized the dangers of bias or criticism. In some cases, also, there was undoubtedly an influence on panels from members having a personal interest and serving on sister panels. In fact, it was known that one of the influences leading firms to loan their personnel as clerks or board members was to avoid, to say the least, an unsympathetic attitude on their applications.

Naturally, in an undertaking in which at a given time nearly 100,000 board members were on the rolls, there was wide variation in the quality of the members and the attitudes toward the job they were doing. Some had a high appreciation of the concept of government according to rule, others thought of justice in terms of personal evaluation of each case without reference to standards; some were tough, others would not deny their fellow citizens—for one reason or another; some had convictions about the necessity for rationing, others had zeal for participation in some war effort, still others were only doing a job they were asked to do.

Likewise, they differed in their attitudes toward the organization and their willingness to cooperate wholeheartedly with its policies. The method of choosing the original board members brought into the boards many persons who were antagonistic to the incumbent administraton in Washington, to the extent of viewing with distrust the representatives of the national administrative organization. Others were suspicious of bureaucrats and Washington directives, and experience in the program sometimes seemed to confirm their distrust. In addition, many of these men were accustomed to acting on their own initiative, a habit encouraged within the rationing program by early events and the nature of the job to be done; also, they were unaccustomed to government directives. Finally, some—perhaps all at times—could not understand why policies were tight and they were asked to say "no."

## 4. The Problem of Discretion Versus Rule

The old conflict between discretion and rule, antithesized in political and legal theory from ancient times, was ever present in the day-to-day practice of lay adjudication and in the attitudes of central and local authorities.

For the Washington planners a habit of thinking in terms of distribution of scarce commodities according to rule was inevitable. There was a basic concept that these commodities should be apportioned fairly and that fairness required uniformity of decision toward all persons in like circumstances. There was the responsibility of seeing that distinctions between persons were made on the basis of need or contribution to the war effort and public welfare. There was

the necessity of defining limits which would hold the grants of rations within the allocations for civilian purposes. And there was the realization that any local distinctions between persons which could not be rationalized would bring criticism of discrimination and pressure for amendment of regulations. Thus, if salesmen in Virginia were granted rations denied in North Carolina, there would be complaint in the area served by both groups. And if industrial users of sugar were granted concessions in one area, competitors and observers in other board jurisdictions would demand the same concessions.

Unavoidably, the successive decisions on eligibility led to more complexity and elaboration in the regulations. This was particularly true of the gasoline regulation, with its various categories of eligibility. Pressure came from the field staff for interpretation and clarification. This frequently led to further specification in the regulation. Pressure came from outside to include other groups in the eligibility categories. Most groups have some national organization and rarely is such a group satisfied to take local discretion rather than national rule.

Staff attitudes supplemented the real necessity for uniformity. The lawyers' influence was strong, and they naturally venerated a system in which rule confined discretion within the narrowest possible limits. Program planners and lawyers strove for perfection, consistency, and integrity in regulations.<sup>8</sup>

Nowhere was this more evident than in the deliberations of the eligibility committee in the gasoline branch. Here was a group which was constantly pressed by demands from many sources for relaxation of eligibility requirements, and their most potent defenses were the consistency of the regulation and the rational justification for its details.

There were many devices which had the effect of limiting the discretion of the boards. The following are illustrative:

- 1. The quota system, under which the board was given a stated allocation beyond which it could not ration in a given period.
- 2. The ceiling on individual issuance. Thus, after failure in the first two years of fuel-oil rationing to find a wholly satisfactory formula for space heater rations, the regulation in the third year authorized the boards to give a person his minimum needs, not to exceed, however, the limits stated in table 9.
- 3. The mathematical formula, under which issuance was reduced to a clerical operation. In fuel oil such formulas were carried both in the ration order and in the instructions which accompanied the order.

<sup>&</sup>lt;sup>8</sup> See J. H. Beuscher, "Law-Taught Attitudes and Consumer Rationing," Wisconsin Law Review, January 1945, pp. 63-76.

4. The shift of discretion to the district office in cases thought to be fraught with danger.

5. The increasing specificity in the ration orders, the annotations,

and the Fuel Oil Guide.

In contrast to the attitudes of the planners, the adjudicators in the local boards often argued that more discretion should be allowed. They were laymen (only about 1 out of every 25 to 30 were lawyers), untutored in the lawver's ideals of justice. They did not understand the reasons for the refinements in eligibility or realize that the pressures on a national organization grow at each spot where there is inconsistency or apparent discrimination in a regulation. that some people were eligible for "B" or "C" gasoline. They could also see that the local activities of some of these eligibles, separately considered, were really not essential, and that the opportunities for abuse by eligibles were great! They were asked to deny rations in other cases where either their sense of justice or their sympathies seemed to call for more lenient attitudes. They frequently lacked information on the extremity of the need for conservation of a product. They also could not always see that what appeared to be a local problem was, in fact, only a reflection of a national shortage affecting the country generally.

Thus, a reading of the closing reports of board chairmen discloses in almost every one an opinion that more discretion should have been allowed to the local boards. They also show admissions of actions not justifiable under the regulations. Indeed, every one familiar with the process knew that the rules were not always followed, knew how many boards, for example, granted the forbidden gasoline for trips to funerals. Why did the national office conclude in the spring of 1945 that gasoline might be saved if the legal ceiling on the amount of

gasoline for salesmen-technicians was raised?

On the other hand, if the boards were asked to make decisions without clear standards, their protests rolled into the district offices and were relayed to Washington. Thus, when the adjudication of applications for nonrecurring gasoline rations for trucks and busses was transferred from the Office of Defense Transportation to the local boards, and the boards found that the standards were less specific than those to which they were accustomed, they clamored for guides. And when, at the end of 1945, the quotas for tires were insufficient to allow the grant of certificates to all eligible persons, the boards asked for guides for establishing priorities among those found to be eligible. It became apparent that the boards thought in terms of decision according to standards and that any other plan could not be successfully grafted on the OPA local structure.

The boards, in other words, welcomed standards at the same time

that they wanted freedom to dispense with them on occasion. And it would appear that a system of lay administration by 100,000 volunteers required rather definite guides for judgment. What lay behind the desire for discretion was the belief that unusual individual hardship should be mitigated, or that a more lenient policy towards persons generally or in some groups should be followed.

The problem was partially met in gasoline by granting the boards a hardship quota. Except for prohibition of the use of the quota for occupational needs, these being taken care of in other provisions, the boards had almost complete freedom in using the quota. Here was the gasoline for trips to funerals or for the other cases of apparent hardship. A conclusion is clear: Where some unusual hardships are created for consumers, and a small amount of the commodity will meet these hardship situations, the grant of a hardship quota to the local adjudicatory authority is the desirable technique for meeting the problem of local antipathy to a national code of rules.

The problem of attaining adherence to regulations was a persistent one in OPA's field operations. As early as the spring of 1942, a special admonition on this subject was sent to the State rationing administrators: 9

It has been called to our attention that some local rationing boards are granting tires to persons not eligible under the regulations.

The necessity for uniform interpretation of the regulations is very important in view of the increasing shortage of rubber and the desire to retain the full cooperation of the public. We therefore ask you to impress upon your local boards that they do not have the power to make exceptions to the regulations and that tires may be granted only to persons clearly eligible under standards set forth in the regulations.

And 3 years later, the same need for adherence to the regulations was being emphasized by an amendment to General Ration Order No. 8, which read as follows:

Unless expressly so authorized, in writing, by the administrator or deputy administrator in charge of rationing, no official or employee of a board, or of any office of the Office of Price Administration, or any other person, is authorized to vary, or otherwise grant exceptions to, any provision of any ration order.<sup>10</sup>

The problem was one which could not be solved by mere admonition or prohibition. It might be met in cases by allowing discretion in use of quotas or by relaxation in nonadministratable provisions. Mainly, however, it could be met only by training and supervision. The boards and their assistants needed to understand and feel the necessity for, and the advantages of, administration according to rule, and the rea-

10 Amendment No. 11, March 29, 1945.

<sup>&</sup>lt;sup>9</sup> State Rationing Administrator Instruction Letter No. 99, May 5, 1942.

sons for provisions on which board laxity was revealed. Operations also needed continual checking to determine the areas of relaxation so that these could be brought to the attention of the boards. In some cases, the boards would have been pleased to have support in resisting pressures for departures from the regulations.

It must be recognized, however, that some spirit of local autonomy will inevitably accompany local volunteer administration of a national program. It exists even with paid personnel presumably subject to discipline, but it is more marked in volunteer administration, particularly where men of diversified backgrounds and a leading position in the community make the decisions. On the whole, however, it is probably not too much to say that conscious departure from the regulations was exceptional. Most members of the boards came to regard the "Green Book," as the Loose Leaf Service was called, as the "law." The tendency in some places to exercise discretion, even where the book left no discretion, may not have been as serious as some of the other difficulties in local administration. Some of these will be referred to in the next two sections.

## 5. The Problem of Regularizing Issuance

We have noted that adjudicative action was to be taken only by board members. Early regulations provided that the majority of the members of the board, or a panel, should constitute a quorum, and that no adjudicative action of a board or panel should "have official effect unless approved by a quorum of such board or panel." Later, the regulations provided: "Adjudicative action in rationing matters shall have official effect only if approved by at least two members of the panel, and then only if the majority of the panel has authorized them to take action on behalf of the panel." 12

It was difficult to obtain compliance with these provisions. In the early days, there was some "hip-pocket" rationing, that is, grant of ration currency by a board member away from the board site. There was also some one-man rationing at the board sites. In some cases, clerks approved the applications, or the approval of board members was automatic. This was referred to as "clerical rationing." There

<sup>&</sup>lt;sup>11</sup> Field Administrative Letter No. 3, sec. 2-G, May 19, 1942. Language with the same meaning was included in the superseding Administrative Order No. 4, pt. II, sec. 4-G, May 7, 1943.

<sup>&</sup>lt;sup>12</sup> OPA Manual, sec. 1-10503.08 (revised). In the 1945 home-canning season, the regulations provided that applications might be approved by one panel member. This was done in an effort to obtain real adjudication of each application, it being thought that the volume of applications would be so large that two members would not give attention to each application. The writer recalls that an experienced regional rationing executive protested this action. He feared that it would lead to a revival of one-man rationing on other programs.

was what was called "over-the-counter" rationing, that is, issuance of a ration without a board meeting at the time the person applied. There were also some failures to schedule panel meetings when full attendance was possible.

Such practices could easily lead to irregularities or to suspicion of improper actions. A persistent effort was made to get the boards to operate according to the instructions providing for action by a quorum, or by two members having delegated authority. As a result many of the habits of irregular issuance of the early days were eliminated.<sup>13</sup>

It was always difficult, however, to obtain real adjudication on some types of applications. Home-canning applications came in great volume, and in most boards the applications were not considered carefully. The bulk of fuel-oil renewals and industrial and institutional user issuances involved little or no adjudication; consequently, there was a tendency to allow the clerks to issue the rations without true board adjudication.

Just prior to VJ-day, an analysis of rationing actions was started to determine which of these could be handled by clerks. There was agreement, however, that no change to clerical determination should be made where there was necessity for a real adjudication of facts.

## 6. Variability in Performance

The boards were a cross-section of American life and hence reflected the usual differences in community activity. The quality of their work and the degree of strictness of adherence to regulations were affected by personal qualities, sectional attitudes, and the extent of understanding or conviction on the program requirements.

In the initial days of the tire-rationing program, observers from field offices saw that some boards sat in successive meetings, night after night, to examine applications, while others approved them by stacks upon recommendation of a clerk or a member or sometimes without any careful analysis. They found that in some boards all the rules on eligibility were read and studied carefully, while in others amendments and instructions for action had not been given to board members. Although supervisory staffs sought to bring the careless or generous—sometimes not too scrupulous—boards to a higher level of performance, differences, nevertheless, remained.

Sectional attitudes had their influence. A rationing field traveler remarked to the author that he had little difficulty getting his boards in North Carolina to ration gasoline strictly after the leak of the information on the sinking of tankers along the coastline of North

<sup>&</sup>lt;sup>13</sup> The practice of receiving applications by mail made it easier to obtain action by two board members, or action in a regular panel meeting.

Carolina had demonstrated a cause for shortage on the eastern coast. Regional officials in New England have commented on the recognition by the New England boards of the seriousness of the job they were doing on fuel oil in the winter of 1942–43. One may contrast the climate of opinion in which gasoline and meat were rationed in producing areas. In such areas some boards were lenient because many in their localities did not appreciate that there was a shortage elsewhere, or feel obliged to share the supply with the rest of the country.

The quality of performance also depended upon understanding and conviction. For example, the boards found it difficult to understand the reasons for the denial of preferred gasoline to some apparently essential salesmen-technicians, and they also found the rules were complicated, and hence that judgment without regard for rule was an easy escape. Boards would adjudicate most carefully and with closest adherence to regulations when the conviction was strong that shortage was real and tightness in regulations was essential.

These general factors, and a diversity of special factors influenced the quality of performance somewhat differently in the various areas of board activity. Reference to some of these variations arising from the different program requirements is essential for an understanding

of board performance.

(1) It should be noted, first, that the boards showed a remarkable respect for quota limitations. These were rarely exceeded. This was probably due in part to the fact that in the first two rationing programs, tires and passenger automobiles, the boards were given quotas which were the limits on the number of certificates which they could issue. They thus became accustomed at an early period to the authoritativeness of a quota limitation.

The quota limitation was perhaps the most useful technique developed for meeting the problems of local administration. It provided a way of insuring that board issuances would not exceed allocations for civilian use.<sup>14</sup> It furnished a rule of local administration which was simple and clear. It gave the boards a ready answer to applicants who were denied—they could point out that the quota would not permit more issuances.<sup>15</sup> Finally, since the primary objective was to live within the quota, the rules of eligibility could be regarded as aids to judgment rather than restrictions on board discretion in meeting local needs.<sup>16</sup>

<sup>&</sup>lt;sup>14</sup> The same principle was used in selective service administration where the board was given a quota of persons to be selected.

<sup>&</sup>lt;sup>16</sup> Since eligibility alone did not justify the issuance of a certificate, the system also protected the district office from appeals, and the national office from individual complaints.

<sup>&</sup>lt;sup>19</sup> Under the quota system, the board was likely to ask for specific guides. This was the result in the fall of 1945. With quotas for tires which were insufficient to cover all persons eligible for certificates, the boards quickly saw the superiority of standard over discretion.

Use of the quota system enabled OPA to "live within" its allocations of tires, automobiles, and stoves. In gasoline rationing quota limitations on over-all issuance were judged not to be feasible, <sup>17</sup> but the grant of hardship quotas met some of the complaints from the boards on lack of discretion to meet hardship situations.

It was only by use of a quota system that OPA was able in 1945 to meet a crisis in the home canning sugar program. In the 1944 season, 700,000 tons had been allocated for home canning; but with a simple application form which asked for insufficient information to justify many denials, the boards issued over 1,000,000 tons. materially reduced allocation of sugar for civilian uses for 1945, OPA devised a form which it was believed would supply the boards with information on which they could, with careful adjudication, restrict issuance to 700,000 tons. A further cut in the sugar allocation in April led to a reduction in the estimate of the amount which could be used for home canning to 600,000 tons. It was decided that reduction to this amount would be possible only with quota limitations. But board quotas were set on a seasonal basis; and before the end of May, many southern boards had issued nearly all the sugar permitted by their quotas. A few boards and the eastern Oklahoma district had exceeded the season's quotas.<sup>18</sup> Following investigation by a congressional committee on the reasons for over-issuance of sugar in 1944, deep cuts in sugar rations for all purposes, and a clear revelation that boards would overissue early in the season, a new plan of administration involving monthly quotas was sent to the field on May 29. With tight supervision and withholding of district and regional reserves, OPA overreached its objective and held home canning issuance to 481,302 Thus, the effectiveness of the quota system in holding issuance to an amount allocated was again demonstrated.19

<sup>&</sup>lt;sup>17</sup> There was, however, repeated consideration of some form of quota limitation. Thus, on September 21, 1943, Charles F. Phillips, Director of the Fuel Rationing Division, sent Paul M. O'Leary, Deputy Administrator in Charge of Rationing, a memo "Progress report on control of issuance at local board level" in which he set out a tentative plan for requiring boards to set up credit and debit records, with debits on new issuances, credits on savings in renewal of old rations, and also requiring the boards to give a portion of the credits to district and regional reserves. In a memo from Fred Parker, Director of the Fuel and Automotive Division, to Max McCullough, Deputy Administrator, on June 11, 1945, a plan for establishing quotas after a spot check of issuance was outlined: each district would be assigned a quota which equaled the amount issued the last quarter minus the estimated amount overissued as estimated from the spot check; district directors would give each board a quota, making due allowance for sampling errors in the spot check.

<sup>&</sup>lt;sup>18</sup> Looseness of supervision appeared to be responsible for this unusual violation of quota restrictions. The lateness of the adoption of the quota system and its use by panels not theretofore accustomed to this type of restriction made for some difficulties in getting compliance with quota limitations. To insure such compliance, some districts withheld currency in excess of quotas from the boards.

<sup>19</sup> It should be noted that region VIII refused to follow the Washington directive to establish monthly quotas, but that the region was able, nevertheless, to hold issuance under the regional quota by careful administration of other elements in the program, such as limitation on the maximum amount to be issued to any one person.

- (2) Some interesting contrasts were revealed in the local administration of the tire and gasoline programs. The obvious necessity for careful husbandry of the rubber supply led to public and board acceptance of the need for tire rationing. The volume of applications, though large, was not sufficiently burdensome to create any really difficult problems of obtaining careful adjudication. The quota system insured that total issuance by some 5,600 local boards would not exceed the national allocation for civilian usage. In the gasoline program, many board members shared the doubts of sections of the public on the necessity of the program. The volume of applications was tremendous, and this created some carelessness and semiautomatic issuance. And the lack of a quota system meant there was no over-all measure of local responsibility. Without such a criterion of accountability, some trend toward leniency and perfunctory action was inevitable. Hence, in the gasoline program, careless or conscious overissuance in individual cases led to over-all issuance for the country which was frequently in excess of the allocation. The gasoline program revealed clearly that where a quota system is not used, some equivalent in administration is essential if national objectives are to be met. The only equivalent is careful training and supervision.<sup>20</sup>
- (3) The transfer of industrial and institutional user issuances from the local boards to district offices 21 sheds light on some of the

<sup>&</sup>lt;sup>20</sup> The continuing issuance beyond allocation also made it difficult for planners to extend the eligibility list to include some deserving groups. It made it difficult, for example, for OPA to be as generous as it would have liked to be on furlough and veterans' rations in 1945.

<sup>&</sup>lt;sup>21</sup> Discussion of the transfer of all or part of the function of issuing food trade rations began at an early date. Illustrative are the comments in a decentralization study made in OPA in 1943. Eldon C. Shoup, Regional Rationing Executive, region I, studied the various suggestions made on decentralization of rationing and made a report on May 8, 1943, on "A study of the decentralization of rationing functions." He pointed out that Paul M. O'Leary, Deputy Administrator, on March 22 at a conference of regional rationing executives and rationing division directors give two specific instructions:

<sup>&</sup>quot;1. That it shall be the policy of the Rationing Department to handle rationing to individual and household consumers at local boards.

<sup>&</sup>quot;2. That rationing actions relating to institutional and industrial users and to wholesale and retail establishments shall be given further study to determine whether these shall be entirely or in part handled at district offices."

A memo of April 24, 1943, from Louis J. Kroeger to Stanley T. Orear, secretary of the organization survey committee, on "Decentralization of rationing functions as discussed in your memorandum of April 21" contained the statement of the Department on some of the recommendations which came from the field and other sources in the decentralization study. Recommendation No. 21 was as follows:

<sup>&</sup>quot;a. District office is to handle all trade and institutional problems, including institutional and industrial hardship cases overlapping local board jurisdiction.

<sup>&</sup>quot;b. Local boards to have power to make all decisions relating to consumers, retailers, small institutional users and industrial users, and small processors within the area of jurisdiction of each board."

Kroeger added this comment regarding the departmental view:

<sup>&</sup>quot;We favor a distinction between district offices and local boards in the treatment of institutional and industrial users, not on the basis of whether or not the problem crosses board lines, but on the basis of some different criteria which take into account the size of

limitations of the system of local administration as it operated in OPA. After some experience, the issuance of all industrial user rations came to be made on a quarterly basis and all institutional user rations on a bimonthly basis. Several facts about this task of periodical issuance are significant. The volume of applications and the amount of currency to be mailed was large. There were heavy workload peaks during the first 2 weeks of each of the months in which rations were granted, and at any other period when supplemental rations had to be issued. Much of the work, therefore, had to be done by volunteer clerks. Each application called for computations, usually with percentages, fractions, and large figures. The rules concerning issuance were complex. Changes in these rules were made frequently, and notice of the changes usually came to the boards as they were getting ready to issue. The work load was largely clerical and the practice of clerical issuance without board action became widespread. Nevertheless, the opportunities for abuse were great. By false statements of the number of persons served or of dollar revenue, institutional users could obtain additional rations. There were re-registrations of both types of users, and failure to check these against earlier registrations led to continuing overissuance to some users. The file on each user grew bulky and complex and the opportunity for checking errors or misrepresentations diminished. Users who ran short pressed the boards for "adjustments," "loans," or additional grants. And in such cases community interest might be involved. The city's largest hotel or restaurant might be out of points—how would people get a meal with meat or with sugar for their coffee? Opportunities for favoritism or for loss of tremendous amounts of food through loose and lenient administration were great.

Many of the weaknesses and the dangers of the system might have been avoided, to be sure, by planned supervision and assistance from the district offices. An audit of the re-registration statements showing base period use, and of the issuances over previous periods, would have corrected many inaccuracies in issuances and revealed the grossest abuses through falsification or through lenience or favoritism. A record on each institutional user showing the historical record of issuances would have aided the boards in spotting false claims and would have given the district office a point of reference in checking on board actions. Regular visits and program reviews by district office personnel would have led to better understanding by the boards and to tighter administration.

the institutional and industrial operation and its technical complexities. We have been working on this problem for some time through our regional executives and hope that a certain formula can be worked out."

It came to be universally agreed in OPA that board performance on this task was unsatisfactory. In the absence of close supervision the full extent of the looseness in administration could not be shown, but abuses were revealed frequently, and the condition of the files was known to be bad. Audits made of industrial user files after they were moved to district offices substantiated this fact.

Although the deficiencies of the local boards arose, at least in large part, from a failure of OPA to allot personnel for supervision of local boards on food rationing and to plan for systematic and uniform administration, there were, nevertheless, some advantages in direct district office administration. First, here was a mechanical work load of great size which could be done with calculating machines and considerable savings in clerical man-hours at a central location. Second, this was a technical job which could be mastered best by paid personnel. Third, the pressures on the local boards for illegal issuance were perhaps greater than should have been imposed on volunteer fellow townsmen.

The directive to move the industrial user files to district offices went to the field in May 1944. The publicly stated reasons for this action were the saving in clerical time and relief of the local boards. Actually, OPA also wanted a better system of control over issuance.

Not until the summer of 1945, and after strong pressure from the national office, were all the industrial user files moved to district offices. In the Chicago metropolitan area, it was difficult to find space for locating the industrial user unit; but in most places the delay in moving the files was due to fear of an adverse board reaction.

After months of discussion, it was decided in 1945 to move the institutional user files also. Behind the move were several objectives. The chief objectives were to save food and prevent abuses in issuance. There would also be clerical savings. In addition, an Industrial and Institutional Unit in the Food Section of the district office would be able to develop a more even work load, filling in the periods between issuances by working on the files. Finally, before the plans were completed, the end of all rationing, except sugar rationing, appeared to be in sight; when this date arrived, all issuance functions could be handled from the clerical pool established to handle industrial and institutional user rations.

It came to be the view of many in OPA that a mistake had been made in the failure to distinguish in the administrative system between consumer rationing and trade rationing. The latter involved complexities and subjected the boards to pressures much greater than those involved in consumer rationing. The amounts of commodities which could be lost through looseness on a few applications might

be tremendous. Compliance activities affecting the trade and many types of petitions of the trade were necessarily handled at the district offices. The concentration of the functions relating to the trade at the district offices (involving transfer of some functions from the boards and delegation of others from Washington) would have simplified the administration and probably increased its effectiveness. Where necessary to provide for convenient locations for members of the trade, field stations operated by paid personnel might have been created within the districts.

(4) There were some areas in which issuance without true board adjudication was the practice rather than the exception. In the fueloil program in 1942, the problem was to get out the rations quickly in any way that was possible. Actually, since the issuances were based upon computation of floor space, etc., accurate clerical computation was the most important need:22 This was recognized the following year when renewals of rations on the basis of the 1942 application were issued by clerks. In home canning there was a need for adjudication, but it was always difficult to obtain. In 1945, the field was instructed to set up special panels where food rationing panels did not exist or could not handle the work load, and the field offices were repeatedly urged to obtain careful adjudication, particularly in those cases where the applicant had not applied in the previous year or was asking for a larger ration. The board was supposed to deny home canning rations if it appeared from the answers on the application, or after personal conference, that the applicant would not use the sugar for home canning purposes. It was difficult, if not impossible, to get boards to make a decision of this type, particularly when the volume of applications on which decisions were to be made was extremely large. It was generally agreed at the end of the season that the effort to get boards to adjudicate applications had been a failure.

A few conclusions may be stated. First, in a rationing program it is desirable to reexamine occasionally the proper area for clerical action. Where, as in the institutional and industrial user programs, the task is largely clerical, but panel action is necessary to prevent abuses, it is desirable to establish guides for flagging the applications which should receive board attention. Second, the experience of OPA indicates that boards will accept the task of determining whether facts stated on an application form are the facts which make a person eligible for a ration, but that it is difficult, if not impossible, to get boards to take adjudicatory action on a large number of applications

<sup>&</sup>lt;sup>22</sup> In the New York region, where a very critical situation developed because of difficulties of getting out rations, hundreds of thousands of applications were acted upon by the regional office staff, with a right of review on application before a special board.

where the basis for denial is simply doubt of the truth of statements on the application form.<sup>23</sup>

(5) Brief mention should be made, finally, of the performance of the boards on two special functions. One was the revocation of rations

and the other was publicity and community education.

There was an effort to get widespread revocation of gasoline rations in those cases where the rations were misused. The effort was significant in regard to three types of cases: Driving in excess of the 35-mile speed limit, where revocation of the gasoline ration was a sanction for the rubber conservation program; violation of the temporary pleasure driving ban, under which in a period of tightness in supply in the eastern area owners in that area were forbidden to use gasoline for pleasure driving; and misuse of the "B" and "C" rations, as in trips to resort areas or on hunting and fishing expeditions.

The handling of the bulk of revocation proceedings shifted from the district office to the boards. Thus, in April 1943, there were 1,553 district office and 436 local board revocations, but in the year 1944 there were 3,258 district office and 34,440 local board revocations.<sup>24</sup>

There were wide variations in performance on this function. Of 28,002 board revocations reported for the last 10 months of 1944 for the continental United States, 11,467 were reported from region VIII (San Francisco). For 4 comparable regions, the figures for the same months were 4,346 for region VI (Chicago), 3,274 for region III (Cleveland), 1,382 for region IV (Atlanta), and 1,363 for region V (Dallas).<sup>25</sup> The scattered reports available for analysis showed almost no activity of this type in some districts; and it may be assumed that variation in performance extended to local boards.

In conference with the author, one who was a top executive for some years in the Enforcement Department referred to this program as a "flop" except in region VIII. He added, however, that it was the only method available for handling a large number of consumer violations and that it could have been expected to work more successfully if a stronger drive had been made for continuing performance; and the statistics do show a significant number of revocations. It was,

<sup>&</sup>lt;sup>23</sup> The reluctance to deny applications on the basis of doubt of the full truth of statements is not confined to volunteer personnel. At one time in region V, all sellers of beer were put into three price classes, largely upon the basis of information filed by the sellers as to their past charges. In most cases, the district offices refused to look behind the statement of the seller concerning his past level of charges.

 $<sup>^{24}</sup>$  The figures for April 1943 were taken from summary table VI–I, April 1943. Figures for May and June show the tendency toward increase in board revocations. In May there were 726, in June 1,221. The figures are for continental United States. The 1944 totals include region IX and were taken from enforcement department summary, table  $\Lambda-103$ , "Commodity trend table, fuel and consumer durable division, national total, 1944."

<sup>&</sup>lt;sup>25</sup> These figures were taken from summary table D 25–2, which summarized enforcement reports by commodity and region for the separate months of 1944. Figures were not available for the first 2 months of the year.

however, a type of function which many boards resented. The author recalls hearing a very successful district director remark that he would be happy if he could get half of his boards to exercise the function. It was apparent that a strong sense of conviction and some external pressure is needed to get local volunteers to apply sanctions against their fellow citizens.<sup>26</sup>

Several generalizations can be made about the publicity and community education function. Much depended upon the relation of the community service member to the local newspapers. In some boards the chairman spearheaded the information program and, in fact, resisted the establishment of community service panels. On the other hand, chairmen occasionally publicly attacked the administration of OPA. The activation of community service panels was difficult because of the lack of staff in the Information Division for board contact. They did, nevertheless, do a considerable amount of community work in many boards. On the whole, it appears that the very existence of the board within the community and the community realization that its rations were determined by local citizens was the most effective means of obtaining favorable community sentiment.

#### 7. Conclusion

The local and volunteer system made it possible to bring the administration of rationing close to the people and minimize its inconveniences to them. This result was attained through an extensive, localized structure reaching to thousands of communities and even to factory locations.

The result was made possible only by the cooperation of hundreds of thousands of volunteer workers who served at some time in the program. The experience in the rationing program demonstrated that in a national emergency the community effort which can be marshalled and the spirit of willing effort which can be enlisted for a national program are very great.

A system of volunteer local administration must be understood in terms of the sociology of community effort and the psychology of the volunteer worker. Among other things, such a system can be expected to reveal variations in practice and standards of performance. Initiative, zeal, and competence sometimes far surpass that of the paid worker; in other cases, the dwindling of enthusiasm, the lack of time for mastery of program, the close association with affected individuals,

<sup>&</sup>lt;sup>28</sup> The difficulty of getting volunteers to apply sanctions was also revealed in the price panel program. The checking of stores by community volunteers came to be a universal practice; but it was difficult, and often impossible, to get price panels to hold compliance conferences and settle the administrator's claim against the retailer.

<sup>744786---47----9</sup> 

and the sharing of local reactions, may create greater problems than exist in bureaucratic administration. The advantages of local volunteer administration for sustained continuing tasks can be attained only by the allowance of an area of discretion and free initiative, from which variations in method and standards of performance result.

On the other hand, a large measure of uniformity is normally required in administration of national programs. In rationing there were two significant national objectives: First, the total product distributed had to be held in line with allocations of the commodity for civilian use; and second, the ideal of distribution according to uniform standards had to be attained in reasonable measure. To attain these objectives with volunteer local administration it was essential to have standards of organization, administrative practice, and program performance. This chapter should reveal that there was a considerable body of such standards. The fulfillment of national objectives, however, depended also on an adequate system of communication, aid, and supervision. One guiding principle in the use of local volunteer administration is that the normal tendencies toward disparity in community and individual effort must be counteracted, to the extent necessitated by program objectives, by close association and contact between the central organs and the local antennae.

The local volunteer system seemed to function best in rationing when the quota system was employed. In gasoline the hardship quota was a safety valve against discretionary action contrary to rule. In tires, and finally in home-canning sugar, the use of quotas was a means of meeting the national objective of remaining within the allocations. The system also seemed to function best when clear standards or guides were given, when eligibility tests were simple, when the volume of applications was not too heavy, when testing of the honesty of applicants was not required, and when it was confined to the area of consumer rationing rather than trade allocations.

## CHAPTER

# VII

# Communication and Control

Administration through field offices gives rise to problems of communication between levels of offices and of control through the hierarchy of locations. These problems were particularly significant in the administration of rationing through four levels of organization and with decentralization of operations to 93 district offices and almost 5,600 local boards. The difficulties of the problem were increased by a variety of factors, such as the number and diversity of programs, the emergency conditions under which they were established, the continuing changes in policy and developments in administrative technique, the complexity of the organization devised to carry a group of programs, and above all the use of part-time, unpaid citizens for adjudication and administration.

Several phases of the problem may be distinguished. Some of these center around the system of communications. There was the problem of providing the field with basic reference and informational materials. There was the broader task of providing for full and timely sharing of information and ideas. The objective was to obtain mutual understanding and confidence and institutional unity through communication of information and purpose. Other phases of the problem center around the system of control. Control includes more than the element of authority or impulsion behind the system of communications. It also encompasses managerial techniques for getting

¹ Although the term "communication" is not used as comprehensively in this discussion as in Chester I. Barnard's theories of organization and authority, his statement of the purpose of communication may be appropriately quoted: "The possibility of accomplishing a common purpose and the existence of persons whose desires might constitute motives for contributing toward such a common purpose are the opposite poles of the system of cooperative effort. The process by which these potentialities become dynamic is that of communication. Obviously a common purpose must be commonly known, and to be known must be in some way communicated." The Function of the Executive (Cambridge, 1942), p. 89.

<sup>&</sup>lt;sup>2</sup> For an interesting viewpoint on the relation of authority to communications, see Barnard, op. cit., ch. XII, particularly pp. 163 and 172.

performance in accordance with national objectives. Among those techniques are clearance procedures, the prescription of organization and operating action, and the evaluation of results. It includes, finally, the ultimate weapon of discipline, including the power to discharge.

These several aspects of interoffice relations are discussed in this chapter, except for certain aspects of local board instruction and supervision, which are discussed separately in chapter VIII.

#### 1. The Basic Materials

As rationing was extended to new areas during the first 15 months of the war, regulations, amendments, instructions, and informational releases went to the field offices and the boards in great volume. There were numerous series of national issuances, and in the case of the boards these were supplemented by instructions and informational releases from the State and district offices. Bulky volumes of materials were soon to be found on the desks of field personnel. In the boards the lack of a single authoritative source of reference and the variety and mass of materials received created confusion and made it difficult, if not impossible, to adjudicate according to the law of the land of a given date.

Although there had been great improvement through the standardization of numbered series of issuances, a serious problem remained. It has been summarized by Louis Kroeger, Executive Officer for Rationing:

The first and obvious method of issuing procedures to the field was to get out mimeographed instructions on specific topics in a numbered series of orders. With the variety and complexity of instructions necessary to get 13 programs under way and kept in operation, it did not take long to see that such a method of issuance was not adequate. Instructions issued chronologically had no necessary relationship with each other from the standpoint of subject matter. Instructions on a given subject such as the allotment of sugar to feed bees might, over a period of time, be contained in releases Nos. 7, 92, 206. No adequate system of cross reference nor indexing would be possible nor would it be possible to assure that obsolete material was eliminated from the file. What we needed was some method of issue and instruction which would be timely, which would put them in presentable form, which would organize material on the basis of subject matter rather than time when it was issued, and which would assure the elimination of obsolete material. It had to be kept down to a workable, authentic, useful reference document.<sup>3</sup>

The problem was met in large measure through three loose-leaf reference sources, namely, the Loose Leaf Service, the OPA Manual, and the OPA Service.

<sup>&</sup>lt;sup>3</sup> From an unpublished manuscript by Louis J. Kroeger on "Some Administrative Experiences in Rationing," p. 85. *OPA Bibliography*, 1946-1947, item 10b17.

#### The Loose Leaf Service

The most important single step ever taken toward effective field administration of rationing was the initiation of the Loose Leaf Service. The Service was devised to meet the needs of local boards. The objective was to provide in the Service all the informational materials needed by the boards for administration of the regulations. It was first issued on March 1, 1943, and maintained under a contractual arrangement with the Alexander Publishing Co. under which the company printed two supplements each week 4 and mailed them directly to the local boards from its New York house.

The Loose Leaf Service made two contributions toward effective rationing. First, the boards were given up-to-date information in a convenient form. Busy part-time board members could find the standards of decision in a single, indexed service. Second, the Service had the quality of authoritativeness. Commodity sections in Washington and in the district offices were prevented from issuing any instructions which were at variance with the regulations; and local boards came to regard the Green Books, as the Loose Leaf Service was called, as the "Bible" of rationing.<sup>5</sup> This was the first essential step in creation of an attitude favorable to rationing according to rule.

In addition to a complete copy of each rationing order, the Loose Leaf Service contained instructions for applying the orders. 1942, the practice of developing a ration guide, which was a document parallel to a ration order, had developed. After the institution of the Loose Leaf Service the guide was eliminated, except for the Fuel Oil Guide; and instructions for applying the standards set in the orders were contained in annotations, which were set in different face type immediately after the sections of the order to which they were related. When this system was adopted, board members needing information on a specific topic could turn to a section of the regulation which was pertinent and find with the section all the relevant instructions available. The practice of framing annotations at the time amendments were prepared became universal in the Rationing Department, with the exception of the Fuel Oil Branch, which successfully resisted the effort of the department to obtain use of the annotation system. The Fuel Oil Branch continued to use the guide, which also was printed in the Loose Leaf Service.

Developed originally as a reference manual on the regulations, the Loose Leaf Service came in time to serve also as a medium for conveying general information on rationing to the boards. A News

<sup>&</sup>lt;sup>4</sup> At one time when the volume of program changes was reduced supplements were issued only once a week, but it was soon found that more frequent releases were necessary.

<sup>&</sup>lt;sup>5</sup> The method of reference is used here because it was so frequently used in OPA to characterize the boards' attitude toward the Loose Leaf Service.

Letter regularly went with the biweekly issuances. At first it only highlighted the important changes, but later it contained news stories. Much attention was given to the preparation of newsy, readable talks on rationing events. In this way an attempt was made to give the boards that understanding of the supply factors and of changes in policy which was necessary if the boards were to give their whole-hearted cooperation to the program.

A special story of greater length could also be sent through the Loose Leaf Service. Thus, in 1945, a Home Canning Manual carried a full account of the reasons for the home-canning program for the year.

From March 22, 1945, a section called "Introduction to Rationing and Rationing Programs" was included in the Service. It was designed to give newcomers a kind of orientation to rationing.

Other materials were included. There were reporting instructions for each program. A concluding section on each program listed active forms, described these, and stated their use. There was an "Administrative Section," and after July 11, 1945, a section on "Personnel Policies and Procedures." Finally, a section called the "Green Sheets," issued only to the field offices, carried instructions to those offices on their operations.

#### The OPA Manual

Administrative Order No. 1, issued April 16, 1942, sought to provide "A standard method for the initiation, review, and promulgation of policy, procedural, and instructional issuances within the Office of Price Administration." It classified types of issuances and provided that these should be issued in numbered series.

On February 22, 1944, OPA Manual News Letter No. 1 announced that "Administrative orders, office procedures, and other general instructions" would "no longer be issued in the categories described in Administrative Order No. 1" but would go out twice a week for insertion in a loose leaf OPA manual.

Thereafter the Manual, which ultimately had 11 volumes, was the official medium for transmittal of information on organization, functions, and procedures to OPA employees, except employees of War Price and Rationing Boards.<sup>6</sup>

#### The OPA Service

The OPA Service was the official OPA publication of regulations, opinions, orders, and interpretations. It was prepared for use within and without the agency. Within the agency it was, so far as rationing was concerned, used mainly by the attorneys. Operating personnel

<sup>&</sup>lt;sup>6</sup> OPA Manual, ch. 1-0100.

generally used the Loose Leaf Service because of the inclusion of annotations and other operating instructions.

## 2. Other Aspects of Field Communication

It is easier to set up a system of formal issuances than it is to assure the full sharing of information necessary for understanding, cooperation, and confidence among the levels of offices. The problem had to be met differently for local boards and for field offices.

#### Sharing Information With the Boards

The full sharing of information with the local board was not possible, and this was one of the major limitations on effectiveness of local administration. The need for rationing was dependent upon supply shortages, but information on supply factors was frequently released to OPA under an understanding that it would not be made public. Moreover, information on many of the major changes in rationing had to be kept from the trade and the public until the effective date. Since the boards were so large and composed of so many diverse groups, the information withheld from the public had to be withheld from the boards. To a large extent, therefore, the boards received their information through the same media as the public generally.

There was, in addition, the physical difficulty of getting information to 5,600 centers promptly. This difficulty was significant for two reasons: First, program planners in Washington might not get their work done with sufficient promptness to allow timely dispatch to the boards; second, leaks of information frequently had to be avoided.

There was a strong effort to gear program planning to the schedule for Loose Leaf Service releases. Materials reaching the publisher's house in New York by Monday or Thursday noon were mailed to boards by Wednesday or Saturday night, respectively. Approximately a week was required to insure complete distribution. Thus, the Loose Leaf schedule provided a dependable means of getting information to the boards when the Rationing Department could have the materials ready 10 days in advance of the time the boards' work was to be done.

Much too frequently, however, the branches did not make the deadline. In this event the usual procedure was to teletype the regional office, which would relay the information to the districts, which in turn would mimeograph it for distribution to the boards.

<sup>&</sup>lt;sup>7</sup>This coincided with the effort to avoid "waivers" of time requirements on releases to the Federal Register. If amendments went to the Federal Register without "waivers" the Loose Leaf schedule for distribution to all boards would also be met.

The method was clumsy, errors might be made, information sometimes

could only be partial.

This procedure was necessary, however, in cases where leaks had to be avoided. The Loose Leaf reached the different boards on varying dates, which meant public release the day the first board received a Loose Leaf supplement; also, very frequently information would leak from somewhere before important releases reached the mails, thus necessitating immediate public release of the information.

As a result of these difficulties, board action frequently had to be taken without adequate time for studying and planning or before district office personnel could implement the written communication with personal aid and training. Moreover, board chairmen and other personnel at the boards resented breaks of news to the trade or the public before the boards were informed. This, in fact, was one of the main sources of complaint from the boards.8

There was real need for a direct channel of communication for the quick release. The Loose Leaf worked well where time permitted its use, but a supplementary channel was needed. If local administration of national programs is extensively used in any future emergency, teletype service to a large number of central locations, if feasible, would provide the desirable solution.

Considerable effort was made to acquaint the boards with general trends in rationing and price control. In addition to the News Letter in the Loose Leaf Service, the most significant method used was the weekly letter from the administrator to the boards—initiated by Chester Bowles and continued to the end of the program. In addition, many district offices set up some kind of weekly reporting service.

In spite of the various efforts a psychological gap frequently existed between the boards and the paid hierarchy. Some of this might have been avoided by a closer association of the district director with the board chairman, thus making the chairman a more effective channel of transmission of purpose to the board and of transmission of suggestions to the district director. Some district directors did maintain close contact with board chairmen, but in many districts board chairmen's information came through a variety of travelers and there was lack of a strong central line for communication of agency policies and consideration of board problems.

#### Communication With the Field Offices

To get full information to and from the field offices it was necessary to develop channels of contact and techniques of communication.

<sup>&</sup>lt;sup>8</sup> Field employees were always conscious of this feeling and in the closing reports of board chairmen the criticism of "scooping" of the boards appears perhaps more often than any other. :

These matters and certain general factors affecting the attainment of mutual understanding are discussed below.

#### (a) Channels of contact

We have noted that as the early rationing programs were instituted the different program branches in Washington selected representatives for field service. We have noted, also, that the regional, State and district offices were in the early days only loose federations of line and administrative units. We have seen that a large measure of parallelism existed between the organization of the Washington and the field offices. Under these conditions strong multiple lines of contact to the field developed early.

Realistically, revised Administrative Order No. 4 allowed for the continuance of communication by the most direct methods. Not only was direct, day-to-day contact by Washington departments with field divisions necessary, but the number and distinctiveness of the rationing programs required multiple lines of contact, instruction, and supervision from the Rationing Department itself.

A first feature of field communication arose out of a system of multilevel supervision, that is, a system in which directory and supervisory responsibilities over field operations were carried at successive levels in the hierarchy in a given office. Within the Rationing Department responsibility for communication of specialized information to program specialists in the field rested at the branch and divisional levels. These were the operating units in Washington and the field organizations provided each division or branch with specialized field representation. A direct and vital line of communication existed between operating units at the successive geographical levels. At the departmental level there was responsibility for communication to the regional rationing executives, and to an extent to the regional administrators, of information which was necessary for exercise of their functions in the rationing program. At the agency level there was responsibility for communication to the regional administrators of such information and instruction as would enable them to provide coordination, leadership, and direction in the administration of the three programs of price, rationing, and rent.

The theory of dual supervision has already been referred to, which recognizes both supervision by specialists and by general administrators. The term "dual supervision" is very useful in describing the position of the official in the field office who is subject to supervision through both technical and administrative lines. It is likewise useful in explaining the coexistence of field supervisory authority in

<sup>&</sup>lt;sup>9</sup> See pp. 45-46 above; see also John D. Millett, "Field Organization and Staff Supervision," in *New Horizons in Public Administration* (University, Alabama, 1945), p. 98.

technical and administrative lines in the central office. Where, however, there is an organization characterized by linking of programs or specialties at several levels, it is suggested that the coexistence of several supervisory authorities in the central office may be more adequately described as "multilevel supervision." There is special advantage in the use of the term because it does not carry any connotations as to type of supervision, as are carried in such words as "technical," "specialty," and "hierarchy"; and thus allows for recognition of the fact that program or technical specialization and management specialization tend to be blended in the middle ranges of the hierarchy in a large organization. The concept of multilevel supervision involves merely the recognition that field supervision is governed by the general principles of organization; responsibility may be carried through successive levels and its nature changes with movement from the bottom specialization to the top coordination and leadership. This would be true in any instance where departmental organization involving union of programs or specialties at more than one level is carried to field offices. It would not be too much to say that it was this coexistence of supervisory authority at several levels in OPA which made it possible to carry out its multiple programs through a single system of field offices.

A second feature of field communication in rationing was the continuing emphasis on personal attention from executives at each level. Except for the food division, division directors and branch executives worked themselves on field problems and spent a large portion of their time in the field. Necessarily, the Deputy Administrator and the Administrator and his Senior Deputy found less time for field visits; but their participation in field communication through memoranda, telephone, and conferences was extensive. On the whole, the principle that field operations were an integral part of general operations was accepted.

Nevertheless, a large measure of responsibility for field instruction or aid was placed, at the several levels of organization, on special units. These units, usually called field sections, were established within each branch in 1942. Ultimately, branch field sections disappeared and field units for divisions were set up. 10 These units served as the primary channel for communication with the field. They were responsible for providing initial instructions to field personnel, supplying information to the field, studying field reports, seeing that replies

<sup>&</sup>lt;sup>10</sup> In the Fuel Rationing Division the combination of the stove and fuel-oil field sections did not occur until April 1944. A single divisional field section in the automotive supply field came with the establishment of the Automotive Supply Division. When the Fuel and Automotive Supply Divisions were combined to form the Fuel and Automotive Division on November 1, 1944, a single field unit serving the entire division was established. In the Food and Miscellaneous Products Divisions there was always a single field section.

were sent to field inquiries, insuring that field operating problems were considered in program planning, and sometimes for contact with the field through field travelers.

A similar unit was set up in the Office of the Deputy Administrator early in 1944. It took over the coordination of field operations previously handled by the Executive Officer for Rationing and assisted the Deputy Administrator in communication with the regional rationing executives. For a time, field travelers were sent from this unit also, but this was soon discontinued.<sup>11</sup>

Responsibility for representing the agency as a whole in field relations shifted on several occasions. After the abolition of the Division of Field Operations, field supervision became the responsibility of the Senior Deputy Administrator. In 1943 provision was made for two assistants with special responsibilities concerning field relations. There was an Assistant to the General Manager for Board Operations and an Office of Field Operations under a Deputy Administrator. Later the latter office carried responsibility for board operations. Still later, in early 1945, the position was abolished and an Office of Board Management under a director responsible to the Senior Deputy was established, with contacts with regional administrators being carried by the Senior Deputy with diminishing staff assistance. But in October 1945, a Deputy Administrator came in the Senior Deputy's office to aid him in field contact and supervision.

In the development of the organization for field contact two principles of organization seemed inevitably to get recognition in the OPA hierarchy. First, field relations required special attention. It would have been agreed that special divisional units in the Rationing Department were the focal centers through which field needs were met and continuing pressure exerted on the program planners to consider field operating problems. It came to be recognized that special attention to field problems was necessary in the Office of the Deputy Administrator for Rationing, and the Senior Deputy's Office seemed to require special assistance for field contact and supervision. Second, it became clear that persons responsible for field relations had to stand close to the top authority in the unit served and be in a position to assist that authority. This was implicit in the abolition of the Division of Field Operations in 1942 and in the location and relationships of most of the other specialized units for field contact.

Experience in OPA indicates that field relationships in an organization whose functions are decentralized require special staff aid similar to that provided for traditional auxiliary services, if mutual under-

<sup>&</sup>lt;sup>11</sup> Don Leach, Assistant to the Special Assistant for Field Coordination in the Deputy's Office, has pointed out that the travelers were recruited from the field and were unacquainted with national operations and also were unable to get close to the branches.

standing and the benefits of a two-way flow of information or suggestion are to be attained.

The precise relationship between the staff aides on field relations and the hierarchical line are almost always difficult to define. In the Office of the Deputy Administrator, the Special Assistant for Field Coordination acted in relation to the field units in the rationing divisions in much the same way that the executive officer in the Department in 1945 acted in his dealings with the administrative officers of the divisions. There was an operating relationship but it was through distinct and subordinate lines of contact. As to field communication, the special assistant was in frequent direct contact by telephone with the regional rationing executives; but his written communications normally went in the name of the Deputy Administrator, and it was understood that the special assistant acted only because of the inability, in view of other work, of the Deputy or the Assistant Deputy to handle continuing communication of details. Finally, the special assistant was included in policy meetings, where his advice on the impact of policy decisions on the field was given.

In some other cases the field section came to have a more independent position. In such cases there was the danger of parallelism to the next lower level in the hierarchy, tending toward the very situation which the abolition of the Division of Field Operations in the spring of 1942 was intended to cure. There was the accompanying danger that a field section might be left, as in the Food Rationing Division, with the full task of field communication.

The problem was presented most clearly, perhaps, on the issue of location of the field travelers: Should field travelers represent the field section or should they represent the executive at the head of the organization unit? Except for a brief period there were no field travelers representing the special assistant for field coordination. Field contact through visits was regarded as the task of the Deputy Administrator and the various members of his staff, including the Assistant Deputy Administrator, the Executive Officer, and the Special Assistant for Field Coordination. Within the Fuel and the Automotive and Food Rationing Divisions, the problem was complicated by the existence of the field sections at the division level, while operations were delegated to the branch level. The danger of parallelism between the field section and the branches was constant. Within the Rationing Department many leaned in 1945 toward the view that travelers should represent the operating branches. The Director of the Fuel and Automotive Division, for instance, believed that field travelers of the division had been removed too far from the branches to give effective specialized aid to the field and that their position did not give proper emphasis to the responsibility of the branch

executives. Accordingly, he moved the field travelers from the division to the branches. Among the staff of the Deputy's office there was strong opinion that there had been considerable loss in the lack of specialized field travelers on the several food-rationing programs. It would have been difficult, however, in the Food Rationing Division to organize field travel on a branch basis, because of the organization of the branches on two principles—there being a separate branch for each major program and also branches handling problems of particular clienteles, such as institutional and industrial users.

The information moving from the various sources in Washington went to the regional offices. The practice of channelizing instructions, except as contained in the Loose Leaf issuances, and of receiving field information through the regional offices came to be firmly established. These offices were responsible for facilitating the two-way flow of information between national planners and local operators.

The principle of multilevel supervision was applied at the regional office and encompassed responsibility for communication. Every division in the regional office and every section within a division became responsible for communication downward to district offices

and upward to Washington.

This was normally achieved through direct contact. Occasionally, a district director would require that all written communications moving upward to the regional office should go over his name, but the requirement usually broke down rather quickly because of the volume and the necessity for quick dispatch. In view of the responsibility of the personnel in the regional office to see that national purpose was readily implemented by local action, a strong effort was made to share all significant information that could be communicated, to inform these offices on program plans, and to obtain advice from them.

In summary it may be said that in the development of channels of contact for the rationing program these features were significant: Multilevel responsibility for field communication and supervision; organization of staff units for field relations; attention to field operations by line officers, except in the Food Rationing Division, at each major level of organization; and extension of the multiple lines of communication and supervision through the regional to the district offices.

### (b) Techniques of communication

Within the Rationing Department suitable techniques of field communication developed quickly. There were, of course, the various

forms of written and oral communication on the single subject to supplement the documentary items. This was facilitated by the establishment in 1942 of teletype service to all regional and a few district offices. Conferences of field personnel, first used for training the initial group of employees, were used by all program units. Conferences of regional rationing executives and of personnel working in the various fields were held at 3 to 4 months intervals and were generally followed by regional conferences of district personnel. Field travelers and executive staff went from Washington to the regions, and sometimes to districts in company with regional representatives; and regional personnel normally spent considerable time in visits to district offices. Weekly letters from the field sections, bearing such titles as Information Memoranda and Ration Foods Letter, usually served as the chief medium for carrying advance information to the field. In addition, division or branch executives and the Deputy Administrator customarily sent weekly letters to their representatives in the regional offices.

The problem of getting adequate information to the regional administrator and district director was always difficult. Starting with the system under which most information moved down program channels and the program executives informed the administrative heads of their offices, the agency made a big effort to share the most important information by direct communication to the administrative head. In regional offices there were sometimes rules for sending carbon copies of all communications directed to district offices to the district director's office, but this was obviously impracticable in Washington-regional relations. On important developments the most useful technique was the direct communication from the Administrator's office to the regional administrator or from the latter to the district director. As time passed and an understanding of the complex nature of the organization and the importance of administrative leadership developed, the departments in Washington developed the practice of sending copies of important communications to the regional administrators, or of asking the Senior Deputy to send a special communication; and a similar practice developed at the regional level. This tendency of the program heads to obtain aid through the administrative line for their programs supplied an automatic selector for administrative information.

For over-all information various media were used to get information to administration heads. The budget allocation letter perhaps served as the first significant medium of communication. The most useful devices were the weekly letters from the Administrator or his Senior Deputy, the Washington News Letter—which was designed

to be one hour's reading on agency matters for regional administrators and district directors, and the fact sheets and other informative data which moved down the line from the Information Department. In addition, periodic conferences of regional administrators and district directors provided an opportunity to review developments and plans.

## (c) Mutual understanding

The goal of communication is to establish the mutuality of view-point which is essential for effective operations at each level and for confidence between field and home offices. Except for the Food Rationing Division this goal was to a large extent achieved in the Rationing Department.

Attitudes and practices toward field personnel will have an important effect upon achievement of the desired results. This is illustrated by the contrast between two divisions of the Rationing Department. It was generally agreed that the goal of mutual understanding was attained in the relations of the Miscellaneous Products Division with its field representatives. Though the problems of field contact were simplified by the stability and relative simplicity of the program and by the limited scope of responsibility of the Miscellaneous Products Division, the success of the division may to a large extent be attributed to its approach to the field. This was typified in the cooperative relationships between the national and field offices in the selection of the division's field personnel. It may be added that the division recognized the importance of field operations, "displayed a large amount of humility toward the field," "used the regional men as advisors," and "did not countenance any bypassing of these men by district representatives." 12 One result of the division's attitude toward the field was a rather full delegation of responsibility for action on trade applications to the district offices.

In contrast, a gap developed between the program planners and the field operators in the food-rationing program. While the top executives in other parts of the Rationing Department were working aggressively to obtain budget and personnel for adequate field staffs and to provide aid and stimulation to them, the executives in the Food Rationing Division concentrated their attention on policy development and failed to maintain close contact with the field. Interest in field operations did not permeate the division and even the field section was not staffed for regular visits to the field. From the beginning there was a failure to place confidence in the field staff. As one man who served as regional administrator said, "In vain did the re-

<sup>&</sup>lt;sup>12</sup> These were the words of William A. Molster, last head of the Miscellaneous Products Division, in a conference with the author in the summer of 1946.

gional administrators and the regional rationing executives urge the Deputy Administrator to delegate appropriate responsibility and authority to the field in these food programs." <sup>18</sup>

The contrast between the Food Rationing Division and the other rationing divisions was summarized in the following statement of Eldon C. Shoup, regional rationing executive, region I: 14

There has been evident, however, a sharp difference between the rationing divisions in the responsibility and program participation given the field men. This factor has had a noticeable effect on the development of respective commodity field staffs and upon the administration of their programs.

Field mileage and miscellaneous commodity field staffs have had authority to deal with individual cases affecting wholesalers, retailers, and industrial consumers. The staffs of these three divisions have also been consulted continuously regarding the operating successes or weaknesses of their programs. In this way the different conditions and different regions have been studied with the results that amendments and interpretations have greatly refined and improved these programs.

In contrast, the Food Division, because of this policy of centralized operation has made relatively ineffective use of its field staff. This appears to have resulted from both the lack of delegations of authority to render decisions affecting wholesalers and industrial and institutional users, and also from a fundamental disinclination to use the field men in the capacity of fact gatherers, analysts, and consultants.

The deleterious effects of the attitude and practice of the Food Rationing Division became increasingly apparent as time passed. Failure to delegate responsibility led to congestion in the national office and placed upon the field the difficult task of explaining delays in handling adjustment cases. Program plans were often made without consideration of the ability of the field to carry the work loads which were imposed. A further result, according to Max McCullough, was that "the regional administrators and the regional rationing executives generally had less interest in the food programs than in other rationing programs, and so, supervision on down the line was poor from region to district and from districts to the local boards." 15

Two particular problems in mutuality of viewpoints require special comment. The first arose when there was strong local attack upon a national policy. Though field stability and resistance to local pressure was often-times exceedingly strong, there were cases in which a strong tone and complete explanation was necessary to prevent the weak-

<sup>14</sup> "A Study of the Decentralization of Rationing Functions," mimeographed report of May 8, 1943.

<sup>&</sup>lt;sup>13</sup> Statement of Max McCullough in comments attached to Louis Kroeger's unpublished manuscript, op. cit.

<sup>&</sup>lt;sup>15</sup> See footnote 13. Shoup's conclusion was as follows: "It is no exaggeration that the initiative, effectiveness, and morale of this section of the field staff have suffered. As a consequence OPA lacks the degree of good will and willingness to cooperate throughout the far-flung food distributing industry which we could have had and which we are finding we need now that food has taken the No. 1 position in the public's concern."

ening of effort through the sharing of local antipathy. For example, the change in policy in the summer of 1945, under which the maximum per meal allotment of meat and other rationed foods to eating establishments was reduced to an amount comparable to the consumer ration, was extremely unpopular among restaurant operators who had previously had a larger allotment and led to a vigorous attack in the western and southwestern areas. Telephone conversations with field personnel and a field trip by the Assistant Deputy Administrator for Rationing revealed that some members of the field staff who were responsible for answering the complaints shared the feeling of the local trade toward the policy. To obtain field understanding and support a strong supplementary statement of the reasons for the policy was dispatched from the Deputy Administrator's office.

The other problem was that of getting understanding through the field divisions of the basic national policies of coordinate divisions. The most obvious of these deficiencies was the failure to sell the Enforcement Department's policy of concentrating attention on those cases which threatened the solvency of programs, instead of wasting its energies trying to follow up every particular complaint. Though this objective ran parallel to the work of the Rationing Department in preventing currency leaks, the field rationing personnel generally never accepted it. This was a main cause of the distrust of the Enforcement Division in the field and it arose out of the failure in interdivisional communication of objectives.

The most useful technique perhaps for getting interdivisional understanding in the field was the coordinating committee. An attempt to establish such committees was made in 1945, but a vigorous drive toward their establishment came only in 1946, by which time all rationing, except of sugar, had been discontinued. The coordinating committee contained representation from all units in an office having an interest in one commodity area, such as meat. Committees were organized in national, regional, and district offices and minutes of the proceedings were transmitted to the corresponding committee at the next level above or below.

## 3. The Function of Control

There is a point where prescription is added to statement of fact and policy, where evaluation of results follows the outline of tasks, where clearance is substituted for discretionary action, and where discipline supplements the efforts to obtain understanding and conviction. This is the point where communication is supplemented by control. In the early days, Washington's control over the field offices through prescription of organization, allocation of budget, and selection and clearance of top personnel in State and regional offices was strong. On the other hand, Washington's control over operations was weak. With programs going out in rapid succession, usually before more than a skeleton field staff for new operations could be recruited, and with the Washington office busy with the writing of regulations, the installation and early operation of programs depended upon the resourcefulness, initiative, and adaptability of the field staff. One result was field independence and consciousness of strength. Though responsibility for program decisions might be withheld, as in food rationing, the field was conscious of its independence on operating methods.

As time passed the field offices gained more autonomy in regard to personnel and budget. At each level the administrative head gained more real participation in filling vacancies in executive positions. Also the regional administrator and the district director were given authority within limits to make or alter budget allocations within their offices. On the other hand, the Washington office sought to maintain uniformity in field operations through a number of control techniques. Among these were the standardization of organization and staffing, central programing and analysis of achievement. The measure of control exercised through these methods may be indicated by a brief discussion of each.

Complete uniformity was not attained in organization and allocation of duties. True, the divisional structure prescribed by Administrative Order No. 4 was set up universally. Moreover, the Enforcement Department was able to obtain field adherence to a detailed pattern of field organization. Within the field rationing divisions there was substantial uniformity in organization until the last year. Nevertheless, there was considerable variation in field rationing divisions in the arrangements for local board contact; and during the last year of the full wartime program, the Rationing Department was having difficulty in obtaining adherence to a national pattern of organization.

Considerable field office discretion was exercised in regard to organization for issuance of rations and for supervision of boards. Some of this was in the nature of organizational adjustment to meet local needs, as in the location of boards; but in some instances there were departures from a national pattern without local differences in circumstances. Thus, many districts experimented with locally devised plans for board supervision in 1944; region III moved both industrial and institutional user issuance to area boards in 1944 when the national pattern called for the former to be made from district offices and the latter from local boards; and region V, asserting even

greater independence, did not go along in 1944 with the national plan for transfer of industrial user issuance from the local boards.

Likewise, full standardization of staffing was not achieved. Again, the Enforcement Department—by a strong tone of command and persistent drive—was able to get the field to follow a national plan for allocation of staff; but after the partial liquidation of food rationing in 1944, and the effort to force organizational changes in 1944–45, the disparity in staffing in the rationing divisions came to be so great that it was impossible to make plans for uniform field performance. The national office had tried to obtain standard staffing, but special events had resulted in wide differences. The achievement of standard staffing became a major objective in the office of the Deputy Administrator for Rationing in 1945, but the difficulties at that date were so great that it was recognized that strong field persuasion would be necessary to achieve measurable results.

Meanwhile, central programing came to be an outstanding feature of operations in three areas of rationing administration in the field. In two of these areas central programing did not come until 1945. first was the "scheduling" of the work of local board supervisors. With delegation of responsibility for supervision of all operations in local boards to board supervisors in late 1944, it became necessary to establish priorities on the use of their time. This was done by setting up 2-week periods of operation and sending out, in advance of each period, a national schedule of minimum tasks to be performed by every board supervisor during the period. In this way a considerable portion of the time of the board supervisor was used in carrying out national plans. Also in 1945, national programing of the work of the verification centers was initiated. A committee of the national office, composed of representatives from the Enforcement Department, the Rationing Department, and the Office of Administrative Service, determined what types of currency should be verified to detect counterfeiting or other violations or irregularities. The field function in the verification centers was thereafter only managerial and routine.

In a third area national programing was the result of a long development. The Enforcement Department's policy developed in three phases: it initially followed a policy of following up complaints received in the field; then moved into a period of drives under which all or a substantial part of the field manpower was used on enforcement campaigns planned in Washington; and finally moved into a period in which the national office prescribed in detail the allotment of manpower among the various areas in which enforcement action was taken. Both the drive and the allotment of manpower were means by which the national office could program local operations. Since these techniques were accompanied by an aggressive and continuing effort to

obtain field compliance with the national pattern of operations, and since reporting on number of investigations would give a reasonable measure of such compliance, operation according to signals called in Washington was substantially achieved.

Several generalizations may be made about central programing in the Rationing Department. First, there was frequent outline of special assignments to be performed throughout the country, such as gasoline issuance reviews, audit of industrial user files, establishment of gasoline advisory committees, conduct of summer fill-up campaigns in fuel oil, and education of the boards on a new program. Second, there were a number of limitations on the ability to make national plans concerning continuing tasks. Day-to-day operations were too varied to permit the kind of scheduling used for investigators. some field work, such as trade relations activities, effective methods varied with locality, circumstance, and personal approach of the commodity specialist. The lack of adequate and uniform staffing, particularly after the partial liquidation of rationing in 1944, meant that many members of the district office staff had to set priorities on the use of their time in terms of immediate pressures. Third, staff deficiencies in the later days of the program prevented central programing in certain areas where field activity was most needed, as in bank visits, follow-up on bank overdrafts, audit of local board issuance, and the various things needing to be done in the food-rationing program. may be concluded that, as a result of various factors, control over field operations from the Rationing Department was weak and field discretion and initiative were the significant factors in field performance.

There was considerable discussion but only limited results in the analysis of field achievement. From the beginning periodic progress reports and field visits were the main bases for judgment on competence and performance. As to enforcement, statistical reports on investigations made and cases filed, and the record on these cases, provided some basic data for measurement of results. In the Rationing Department available statistical measures were of less utility. Comparable data were obtained on the regions and the districts. Such data revealed which offices failed to file periodic reports and the percentage of banks which did not make required reports, and thus laid the basis for successful drives to obtain full compliance with such requirements. Reports obtained from time to time showed which offices had failed to carry out certain assignments and in cases led to budgetary adjustments or pressure to get the jobs done. Figures on the amount of rations issued were received from boards and field offices. On the whole, however, the issuance data for different districts did not show more than variations in issuance per unit of measurement

(e. g., number of tire certificates issued in relation to number of vehicles); they did not show which districts were obtaining most adherence to regulations in the adjudication of applications or which boards needed to receive special training and later check.

To the end of the program lack of audit control over the boards prevented a measure of performance for particular boards or districts or a clear guide for programing within district, regional, or national offices. In the absence of such data, there was little basis for corrective action in regard to any board or district. A grave personal fault, gross lack of cooperation, or obvious mismanagement in board or field office might force a change in personnel or practice, but control designed to see if rations were issued in accord with the regulations was missing. In other words, communications were not adequately supplemented with control.

With the development of a strong field organization it was inevitable that the concepts of central responsibility for total results and field responsibility for local performance should result in some conflict. A few examples will illustrate the nature of the problem and the balance which existed in OPA.

In 1945, when drastic action was necessary to save the home-canning program, the Senior Deputy Administrator sent out a mandatory list of actions to be taken, including the establishment of monthly quotas. Region VIII objected to the establishment of monthly quotas and proposed an alternative plan. In vain, the Assistant Deputy Administrator for Rationing, who had prepared the mandatory plan and was supervising its execution, tried to get region VIII to follow the directive. In the end, the Deputy Administrator decided that, in view of region VIII's "guarantee" that its own plan would hold issuance below the regional quota, a further demand should not be made that it follow the national pattern.<sup>16</sup>

The other example shows the interweaving of responsibility for budget allocations. The Deputy Administrator obtained budget for 250 additional field positions in 1945, having in mind the strengthening of food and ration currency operations. But national allocations of field personnel were subject to alteration at regional and district levels; and administrators, directors, and rationing executives had their own ideas about personnel needs. For this reason, a statement of the recommended use of the personnel was included in the budget letter to the regional administrator; and the regional rationing executives, with the approval of the agency budget officer, were informed in special letters of the projected use of the additional regional alloca-

<sup>16</sup> It should be noted that the guarantee was made good.

tions. In this way they would be strengthened in their efforts to insure that the allocations would be made to the rationing division and advised on the desirable allocations within the division.

With the divisional allocation of duties which existed the leader-ship of the administrative head of the field office was frequently necessary if national directives were to be carried out. It is not too much to say, however, that control in the administrative line was usually weak. The tone of requirement was either missing in the national directive or was assumed to mean something less than demand. The threat of discipline in case of nonperformance was too weak in the administrative line to be an effective prop to program prescription. A strong statement of objective, repeated down several lines of contact, usually led to energetic action from a field force that liked to get big jobs done; but field effort depended more largely on success in obtaining understanding of the objective than on the tone of requirement.

# 4. Summary

The Loose Leaf Service became the primary channel of communication to the local board and served as the authoritative guide, the instruction manual, and the source of reference. For local board communication its main weaknesses lay in the necessity for secrecy of some information and the lack of a satisfactory means of distributing the quick release. There remained also the problem of supplementing the written communication with personal contact, which is reserved for discussion in the next chapter.

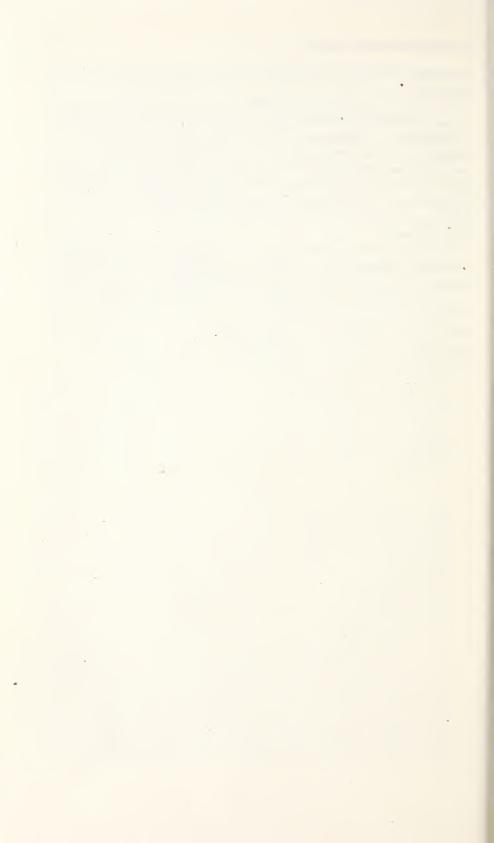
Provision for full and timely communication to and from the field offices was a basic essential for successful field administration. The system which evolved had several features: The sharing of responsibility through the hierarchy in each level of office for communication downward and upward, the use of special staff aides to insure an adequate interchange of information and ideas, the responsibility of the operating or supervisory official in the home office for continuing attention to field operations, and the use of the regional office as the exclusive channel of communication to and from the district offices. All the formal techniques for communication which could be used were employed. The goal of mutuality of viewpoint, basic to cooperative effort, was achieved in considerable measure, though with variations between programs and regions and with time and circumstance.

The chief failure in field relations was in the food-rationing program. The failure to establish close and harmonious relations between the working units in the national office and the field operators impaired the effectiveness of this activity in a number of ways. The

experience indicates the vital need of home office attention to field operations.

In the beginning the national office kept a strong hand on organization, personnel, and budget, but was unable to extend its controls to operations. As time passed, field freedom on personnel actions and budget allocations increased, and was extended in some cases to organization and allocation of work. On the other hand, the national office sought to assume a more positive role in planning and evaluation of operations. On the whole, however, field independence was considerable and overhead control from one office level to another was relatively weak.

The sharing of objectives is the basic technique for insuring field adherence to national plan. This was particularly true in an organization which grew rapidly, and in which resourcefulness and initiative at every level were imperative. The tone of requirement, reinforced by fuller use of management techniques, might have contributed to more effective and uniform operations; but reliance on the democratic method of communication to a greater extent than the autocratic principle of authority was nevertheless inevitable.



# CHAPTER

# VIII

# Contacts with the Local Board

# 1. The Nature of the Problem

To obtain effective administration through local volunteer units, it was necessary to supplement the written communication with personal contact and supervision. Only through such contact could the scattered units be attuned to a common foundation of purpose, stimulated to continuous performance, trained on the requirements of the regulations, held to reasonably uniform standards of adjudication, and given aid on innumerable special problems arising in the various communities. The importance of close contact with the boards was apparent at an early date. On the one hand, it was found that in some locations instructions were not studied, the decisions on applications were made by irregular processes or by personal judgment rather than according to rule, and that currency was not adequately protected. On the other hand, boards were plagued with space, personnel, and equipment problems on which they needed assistance from persons familiar with governmental regulations.

The need for close contact increased as new programs of additional complexity were given to the boards. The burden of issuance of fuel-oil rations in the fall of 1942 could not be carried by some boards without district and regional office assistance, and the handling of problems of conversion of facilities from fuel oil to coal necessitated close collaboration between the field offices and the local boards. The gasoline regulation, with its complex eligibility rules and its unwelcome restrictions, emphasized the need for careful training, persistent pressure, and close supervision. Also, with the development of the full rationing program, problems of board management arose which required the attention and cooperation of local board managers and field office personnel.

The problem of training and supervision of local boards was complicated by the number and diversity of the rationing programs and

by the allocation of responsibilities within the district office. Within that office there was a high degree of specialization, both on program and functional bases. Within the local board, with panelization and with separation of clerical duties from adjudicatory responsibilities, there was also a considerable amount of specialization; but the degree of specialization varied with the size of the board and the lines of specialization did not correspond in all respects with those in the district office.¹ The problems of organization in the district office for contact with the local boards and of the relationships between the various contacting units arose early and became the most persistent and troublesome of OPA's administrative problems.

The full task of aid and supervision included a number of distinct types of responsibility. First, there was aid and supervision on the normal and certain special housekeeping functions. At the local board, there were problems of space, equipment, personnel, maintenance of supplies, distribution of incoming instructions, and handling of mail and files similar to those in other offices. There were also the special service functions involved in safeguarding, issuing, exchang-

ing, and accounting for ration currency.

Second, there was assistance to the local boards on problems of management and procedural flow. The boards needed assistance in over-all direction, scheduling, and coordination of operations and in obtaining the maximum economy of effort in repetitive activities.

Third, there was aid and supervision on program operations. This involved the maintenance of incentive, instruction on regulations, and the measurement of results. The main objectives were knowledge of the detailed standards for decision and adherence to regulations in passing upon applications. The latter was needed to insure rationing within the allocations and to prevent abuse in individual issuance.

Fourth, there was presentation of program objectives to the board chairman, whose understanding and cooperative effort were essential for the organization of community resources and a satisfactory level

of performance.

Out of these needs in board aid and supervision arose certain problems of organization and function. First, there was the problem of the relation between administrative and program lines of contact. Second, there was the related problem of the proper range of responsibility for the generalist, who would represent OPA as a whole or carry a variety of responsibilities, and the program specialist, who would carry responsibility for the operation of one or a few related rationing programs. The predominance in OPA of these issues of

<sup>&</sup>lt;sup>1</sup> There was no parallelism in the district office with the separation between clerical and adjudicatory functions at the local board.

method and the distinctiveness of the solutions at different periods make it convenient to discuss the problem of board supervision in successive periods and with attention focused on the issues which arose.

Three periods may be distinguished. During the first, there was a dual system of supervision in which program supervision and administrative aid were separated; in the second, with both price and rationing functions at local boards, an effort was made to combine overhead planning and coordination with a system of shared responsibility between administrative and technical officers for program supervision; in the third, the responsibility for all board activities was placed on officers in the administrative line, though aid from program officials was expected.

#### 2. The First Period

The responsibility for answering inquiries on regulations and for training, stimulation, and supervision of boards on program operations rested, after the abolition of the Division of Field Operations in April 1942, on the Rationing Division in the field offices. This carried with it the central task of board education and supervision. These activities have already been discussed; hence, in this chapter main attention is given to the development of the administrative line of contact with local boards.

In the crystallization of field organization through Administrative Order No. 4 on May 7, 1942, provision was made for regional and State organization executives. Later, when supervision of local boards became a function of the district offices, organization executives were added at this level. Administrative Order No. 4 stated that these executives and their staffs should be responsible for "organization, location, territorial jurisdiction, personnel, space, and equipment" of the boards. Both the title and the statement of function indicated that the responsibilities of the group were limited to seeing that the board structure was adequate, no reference being made to over-all management or program supervision.

Several facts about the organization executive-and his staff and their position are significant. First, the staff was relatively small. Detailed figures for 1942 are not available, but even by June 30, 1943, the budgeted provision for technical (i. e., nonclerical) staff in the district offices—which now had the responsibility for board supervision—totaled only 251 positions, which allowed one man for each 23 boards on the average. Second, in the initial recruitment of field organization officers (who traveled to the boards), promotional people were generally selected, it being thought that a large part of

their task was to keep the boards working cheerfully. Third, they were employed at relatively low salary levels. The salary scale of the technical personnel in board organization work generally ran one level lower than for technical personnel in the price and rationing divisions.<sup>2</sup> Fourth, for a considerable period the board management function received little emphasis in the development of the organization structure of the Washington office. The Office of Local Board Operations, originally established in the Senior Deputy's office, first underwent changes in personnel, then was transferred in November 1942 to the Administrative Management Department, and next was abolished in December 1942, certain of its functions being assigned to a Field Organization Branch in the Organization Planning Division of the Administrative Management Department. Responsibilities concerning the use of volunteers were carried by the director of personnel. These organization changes left the regional organization executive without the leadership of a strong counterpart in the Washington office and further emphasized the limited view in this period of the function of the organization executive and his staff.

The executives and the small corps of field organization officers were, nevertheless, fully occupied in the early days with organization and service operations. Funds were allocated among the boards for space, equipment, and clerical help; and the budgetary necessity of making maximum use of space and equipment supplied by communities increased the problems in allocation. Individual boards needed assistance in arranging for space and equipment, in recruiting clerks, and in handling these matters according to Government regulations. At the end of April the suggested pattern for board organization went out from the Washington office, and the task of reducing the number of boards and of adjusting the number to need was undertaken. In the summer more space and many volunteers were needed for the home canning program; and in the fall fuel-oil rationing and national gasoline rationing called for further expansion in staff, space, and equipment.

Notwithstanding the limited definition of functions, the field organization officers came more and more to serve as general utility men. They aided the boards on any administrative problems which arose. They set up meetings for volunteers and paid clerks at which specialists from the Rationing Division explained the regulations and the work which was to be done. They answered questions about the administrative aspects of the programs and either tried to answer or referred

<sup>&</sup>lt;sup>2</sup> The organization executive's salary was one level lower than that of the price and rationing executives. And whereas most technical personnel in the price and rationing divisions in class A. district offices were classified at CAF-9 and 11, field organization travelers were usually classified at CAF-7 and 9.

technical questions to the Rationing Division. They represented the district director in selection of additional board members, and as trouble shooters in any situations which arose. They checked on the condition of the files, the keeping of personnel records, and the use of volunteers. They were assigned supervisory responsibilities in relation to the storage and safeguarding of currency and the keeping of accountability records on currency. They became known at the boards, where they were expected to get solutions for any problem.

The most significant factor in causing the extension of the service of the field organization officers was the need of the district director for aid in meeting his responsibilities. Local board chairmen looked to the district director; he was responsible for their selection, for appointment of board members, and for over-all direction, evaluation, and improvement of board operations. Many district directors gave a large part of their own time to personal contact with board chairmen and visitation to board sites. Some actually overtaxed their endurance by trying to maintain a personal contact with each of the boards in their scattered locations. Others, lacking the same energy or engrossed in district office management, gave less attention to this phase of their responsibilities. But all found there was a gap, arising out of time limitations, between them and specific board problems. This could only be filled by staff assistance in maintaining regular contacts with the boards.

Board chairmen-appreciated visits from district directors and many resented too much dependence on visits from "small" men. The chairmen realized the tremendous significance of their jobs and expected recognition of their position by the top staff among the paid personnel. There can be no doubt that an insufficiency of continuing top executive contact with board chairmen contributed much to board dissatisfaction, and to program ineffectiveness also. It meant a lack of continuing pressure and stimulation from persons having positions of prestige and authority. The evil was accentuated as programs multiplied and a variety of program travelers pressed for priorities for their particular programs. Moreover, the field organization officers, being men of promotional qualities and having gained their acceptance through service activities, were usually reluctant to press boards for more adequate performance or to recommend or carry through organization or personnel changes which would disturb board or community harmony and good feeling.

Because, however, of the limitations on the span of attention of the district director and the lack of any alternative arrangements for over-all representation of OPA, the field organization officers grad-

Fitner was the unusual case of a district director who admitted after about 2 years of service that he had not yet been in a board.

ually and unavoidably moved into a position of responsibility for looking after all problems of coordination, scheduling, and general management at the local boards. Whereas in 1942 their time was spent mainly with problems of space, structure, and personnel, by 1943 they were finding that managerial oversight was their responsibility.

By 1943 also they were sometimes giving occasional help on program operations. This resulted from the fact that the staff of the Rationing Division was often inadequate for frequent board coverage on the several programs. As a consequence the travelers in the administrative line were asked program questions or presented with program problems which they sometimes tried to answer or solve, even though

this was the responsibility of the Rationing Division.

A view of the proper area of activity of the contact men in the administrative line was submitted in "a report of the committee on field representatives," dated July 21, 1943.4 It was said that the field representative should "major" in "the mechanics of board operations." Although he should be a "generalist" on price and rationing regulations, he should not be expected to answer "technical" questions on these. It was his duty to supply fundamental office management procedures and consult with the chief clerk and other employees on development and installation of more efficient procedures, aid in development of proper relations among clerks and between clerks and the public, resolve problems of conflicting personalities among board members, appraise the general quality of adjudicatory action,<sup>5</sup> refer "technical questions" to program divisions, and supply leadership in correction of technical and general problems. Among other things, he should on each visit to a board take a "temperature reading" of the board, comprising a check on the condition of the files on all commodities, on the promptness with which rations were issued, the condition of accountability records, the adequacy of storage facilities, the accuracy of the last attendance report submitted, the extent to which volunteers were used, and on the frequency of all rationing and price meetings. "From time to time," also, he would help other divisions institute new programs or changes. He would, moreover, make contacts with community and county leaders, the defense council, and the sources of volunteers.

There were some in OPA who believed that the separation of program and administrative contacts in board liaison work should be terminated by placing the field organization men under the rationing executive. Actually, at least one region had operated in this way for

<sup>&</sup>lt;sup>4</sup>The committee was composed of C. R. Frederick, chairman, Wilbur Loveland, Floyd Richardson, and Stephen J. Tully, board operations executives in the St. Louis, Wichita, Fort Worth, and Houston district offices, respectively.

<sup>&</sup>lt;sup>5</sup> Most persons in the Rationing Division of the field offices would probably have objected to the listing of this function.

a short time in early 1942, and a year later the strength of this opinion in some places is indicated in a memo of March 27, 1943, from Birkett Williams, regional administrator in region III, to Paul M. O'Leary, Deputy Administrator, saying:

The farther I go, the more I am convinced that this man should be a part of and work for the Rationing Division. It is becoming increasingly apparent that the Board as at present constituted is going to be strictly a rationing board; that if a so-called price panel is set up, it will be more of an enforcement panel than anything else and will, in fact, constitute something which will amount to an entirely separate board. Aside from the fact that the price panel might be housed in the same quarters, there will be very little relationship between the work the two boards would be doing. All of which leads me to think that the board organization work as at present constituted should be handled by the Rationing Division.

John Hamm was here last week and we mentioned this to him. He wasn't very keen about it, and, when I suggested we might refer it to you, he said that wasn't necessary because you already had the idea.

A reply from Louis J. Kroeger, executive officer of the Rationing Department, on March 31 reported that O'Leary agreed to "make further efforts to accomplish exactly what you are suggesting." <sup>6</sup>

The proposal to place the organization executive in the Rationing Division is interesting because of the premise upon which it was advanced. Had the price and rationing programs been administered by different boards, the problem of organization might have been more easily solved and the subsequent wastes in divisional conflict, prolonged discussion of relationships, changing of structure, and shifting of personnel might have been avoided. It is doubtful whether any gains in joint administration of the two programs at the local board level fully counterweighed the difficulties which arose in joint supervision.<sup>7</sup>

<sup>&</sup>lt;sup>6</sup> Kroeger had written to O'Leary at length on February 25 recommending a number of changes. He stated that "We lack sufficient control over the local board operations" and recommended "an all-out effort" to get "the necessary degree of control." By June 10, 1943, O'Leary had become sufficiently alarmed to address a long memo to George J. Burke, Acting Administrator, pointing out "that the Field Organization Branch—at the national, and in many instances at the regional and district levels as well—has come to regard itself as the sole channel of contact with local boards, and as the chief division within the OPA which should develop and supervise all of the multifarious and necessarily complex rationing operating and reporting procedures that concern local boards."

The advantages which might have accrued from administration by separate boards would deserve more attention in a history of field price operations than can be given to the problem here. The greatest difficulty in administration of GMPR and the services regulation (MPR 165) arose out of the failure of boards organized for rationing to get full compliance with the filing requirements of these regulations. When price panel operations were initiated approximately a year later the greatest difficulty encountered was that of obtaining interest and enthusiastic cooperation from board chairmen and chief clerks who were engrossed in the job of rationing. Moreover, since rations had to be issued and price work could wait, it was impossible to get boards to keep price clerks on price work. The author carried the responsibility in the regional Price Division for organizing price panel work in region V. During the early days of the program he thought the agency policy of using the existing boards for the price program was correct in that it enabled "price" to obtain the advantages of the prestige of the local boards and tie to a going organization; but he has since come to believe that, as far as operations were concerned, the price program suffered more than it gained from the juncture with rationing at the local board. On the other hand, one may wonder whether the Price

Solution of the problem of board contacts by delegation of full responsibility to the Rationing Division was not possible in 1943 because of the development of a local board price program and its administration in the same boards. The General Maximum Price Regulation, issued April 28, 1942, had provided that each wholesaler and retailer should file a copy of his base period prices on so-called cost-of-living items with the local board, and at this time the name of the boards was changed from Rationing Boards to War Price and Rationing Boards. Later MPR 165, the Services Regulation, required that service establishments file base period prices with the local board. Most boards gave little attention to these requirements; and although panels were developed in some localities for trade relations activities in the price program, no national local board price program was initiated until the spring of 1943. After that time the same local boards had heavy responsibilities for two programs, and a supervising unit which rendered joint service to the price and rationing divisions and handled problems of coordination was indispensable.

### 3. The Middle Period

It was, by and large, the development of the price panel program which marked the transition into a new period. This development was, however, accompanied or paralleled by certain other changes.

First, there was a revitalization in 1943 of Washington leadership on board management problems. This was reflected in the expanded activities of the Organization Planning Branch, the installation of leadership at Washington in the planning of board operations, and provision for an Assistant to the General Manager for Board Operations. From the summer of 1943 until the middle of 1946 problems of board supervision and board operations received continuous attention from top management in OPA.

Second, attention was focused on problems of procedural flow and operating methods. As the local price program developed, the need for price clerks had to be satisfied at least partially. This could be accomplished only if means were found for economizing clerical time in rationing operations. Moreover, the problems of over-all management at the local board increased with the development of a second program with its needs for space, paid personnel, and a large group of volunteers.

Department, ever reluctant to decentralize its operations, would have developed a local board program if there had not existed a going local organization to which it could ally itself during a period of weakness in motivation for local operations. Perhaps there would either have been no local price program, or more national resolution and agency unity would have been forced in its institution.

Third, in the regional and district offices a Division of Field Operations was created under a field operations executive, responsible directly to the regional administrator or district director. The change in title reflected the broadening of function beyond provision of adequate structure and the encompassing of all responsibilities, including those of procedural flow and management, having to do with board operations.

Fourth, there was an attempt to define the responsibilities of the various officials in the district office in supervision of local boards. This was embodied in Operating Order No. 12, issued October 5, 1943.

This order emphasized the responsibility of the district director, sought to make the district board operations executive an agent for over-all planning and coordination, and permitted the assignment of program activity to the field operations officers. The order stated that "The district director is completely and fully responsible for the administration of local boards and the direction of their operations." In discharging this responsibility he was to be assisted by the district board operations executive who, the order stated, "is the staff aide of the district director and is responsible for the administration of local boards and the coordination of all district office activities relating to local boards."

Much of the order dealt with program activities. The district director was given the responsibility "in consultation with price, rationing, rent, enforcement, and board operations executives, to determine the proportion of local board liaison work which can be done by the field operations officers and the proportion which should be done by program specialists." The district board operations executive was given extensive responsibilities in regard to local board program activities. Among other things he was to "plan and insure adequate district office coverage of local boards on technical supervision for each program;" establish schedules "for periodic visits to boards;" assist in planning district office releases to local boards; "and, on behalf of the director, review, and distribute such materials;" and plan for local board clinics. On the other hand, the responsibility of the program divisions was recognized. The district director was authorized to establish "a staff of program specialists to be subject to the technical supervision of the district program executives." The program executive was "responsible for providing the program panels of the boards with technical instructions" and was to "train and instruct panel members, volunteer aides, and clerks through the use of district office members of his staff" in the various matters relating to program

<sup>&</sup>lt;sup>3</sup> It should be noted that this order followed by approximately 1 month the issue of the revisions of Administrative Order No. 4 which placed full responsibility on the administrative heads of the field offices.

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development. The program executive was also responsible for providing "the field operations officers with such technical training and supervision" as would enable them "to serve the interests of the

program staff."

Under this order the field operations officers were to have extended responsibilities. In addition to providing the boards with necessary administrative services, installing and periodically reviewing "measures taken by boards for safeguarding accountable documents and forms," measuring work load and developing "greater procedural efficiency in all routine activities," assisting boards by training the community service member, and assisting in the selection and training of board staff, they were to "appraise the performance of specific program operations" and report on their "findings on program performance, and the needs of particular boards for technical program assistance," and give assistance on "training on technical" operations to the extent determined in the district office.

Operating Order No. 12 was explained to the field in a national meeting of price and board operations personnel and in regional meetings attended by the executive staff of the various divisions. Nevertheless, the order resulted in only limited changes in past practice. It left much scope for local differences in application. Jurisdictional antaganism between price and board operations developed in the framing of the order and extended to its application in the field. No change was made in the classifications of the board operations executives and the field operations travelers. Some gain was made in coordination of field trips and in planning of instructional clinics. In most places the board operations executive did not try to establish a clearance control over issuances to the boards; this would have been resisted strongly by program executives.

There was probably little change in the amount of program representation by field operations officers.9 There were two main reasons why this was true. First, the issuance of the order was not accompanied by any significant shifts in budget allocations from program departments to board operations. As a matter of fact, the Price Department continued to obtain supplements to its limited budget for field travelers. Second, the board operations staff continued to have so much work which was their exclusive responsibility that they could not undertake larger responsibilities in program instruction and supervision.

Even in rationing the load of work on the field operations officers continued to be heavy. There were, first, some continuing special

<sup>&</sup>lt;sup>9</sup> Except in a few districts which in 1944 placed full responsibility for all operations on a single group of travelers. This was the origin of the unified board contact plan adopted by the agency late in 1944.

assignments of a service nature to the Board Operations Division. In addition to the responsibility for supervision of accounting procedures and safeguarding methods at the local boards, it was given the task of supervising the mailing centers, 10 a job which was initiated in 1944 in most districts which established such centers. Second, there continued to be special organization jobs for the rationing program. Establishment of the mailing centers involved the location of space in crowded cities, the recruitment of clerks, the installation of procedures, and the training of personnel. In May 1944 arrangements were to be made for transferring industrial user files to district offices. In both of these cases, tact and logic had to confront the objections of board members to transfer of functions from the boards. In August 1944 special truck tire panels were established, involving still another transfer of functions. Third, there were old rules which still needed emphasis. For example, one regional board executive reported that a major task in 1944 had been to overcome the prevalence of the "oneman" board and the correction of irregularities in time and conduct of panel meetings. 11 Finally, there were the continuing administrative tasks involved in supervision of board operations on the several rationing programs.

Experience in the price panel program contributed so materially to dissatisfaction with the system of board contact that some of the factors in its development must be noted here. Local activity on price control, associated particularly with community flat ceilings on food, threw an increasingly heavy burden on the field operations officers. They were called upon to introduce a new group of field travelers to the boards and to take a major role in winning the support of the board chairman and chief clerk for the new program. This was no easy task. Frequently, all the efforts of district director, board operations officer, price executive, and field price travelers gained only reluctant acceptance and halfhearted cooperation for it. Moreover, the responsibility of obtaining an adequate staff for the new program rested upon the field operations travelers. Price panel members and price panel assistants in considerable number were to be recruited. It was necessary also to allocate space and clerical help to the new program. Moreover, there were special promotional jobs, such as the emergency price check in March 1944, involving the check of every retail food outlet in the country in one week, on which the aid of board operations travelers was needed.

One particularly difficult task was the allotment of clerical help to the price program. Paper assignments seemed to mean nothing.

<sup>&</sup>lt;sup>10</sup> See p. 169 for a discussion of the mailing centers.

<sup>&</sup>lt;sup>11</sup> Thomas J. Kelly, regional board executive, region VI, "Summary and Narrative Report on the Division of Boards for the Year 1944 and Plans for the Year 1945."

Since the people demanded that rations be issued promptly, while they seldom complained if price work waited, clerks were continuously retransferred from price for temporary duty in rationing. This problem could only be met by obtaining more clerks or streamlining rationing procedures.

The streamlining effort was a major development which illustrates two problems in this period: The balancing of the needs of two programs and attention to operating procedures. The pressure of the Price Division in region V for price clerks in the face of general budget tightness led to a study by members of the regional board operations staff of rationing procedures in a board in Dallas, Tex. As a result procedural charts and time standards were developed for each major type of rationing action. It was then concluded that 7 of the 22 clerks theretofore assigned to rationing could be released from the function. Thereafter, district board operations officers in region V were trained for installation of the procedures in large boards in the region. Although the plan was not instituted with the same energy in all places as in the Dallas board, a considerable number of rationing clerks were freed for price work.

The Dallas streamlining plan, presented to Washington, entailed weeks of discussion involving also the simplification plan recently developed by the Bureau of the Budget. The Dallas plan apparently could not be adopted for all parts of the country and all sizes of boards. The Bureau's outline on procedural simplification therefore was sent to the field along with the time standards for particular operations developed in the Dallas experiment. In view of the inability of Washington to standardize procedures and the inexperience of field travelers in this type of work, the results attained fell far short of the full needs in work simplification.

The streamlining effort emphasizes the fact that the full task of administrative aid and supervision included more than maintenance of organization and smooth personal relationships within the boards; it extended also to managerial techniques and procedural flows. The Washington office failed for a long period to place adequate emphasis on this type of aid. Moreover, the original personnel in board organization and operations work was not equipped for it by background and training.

Actual operations in the price panel program fitted no neat pattern and Operating Order No. 12 was probably followed strictly in no district. According to the paper directive board operations officers were to see that space, clerks, panel members, and panel assistants were provided, while price travelers, except where program work was partially assigned to field operations travelers, were to instruct clerks

and personnel on the content of the price regulations and the methods of attaining the objectives of the price panel program. Actually, in some places price travelers recruited assistants and panel members; in some, price tended to wait for board operations; in others price and board operations worked together on the job of recruitment and organization; and in many places the division of work shifted with personnel changes or as one division or the other was stimulated locally. In some places, even for a large portion of some regions, a reasonably satisfactory modus operandi developed; on the other hand, in some regions or districts conflict existed from the beginning and continued throughout the middle period.

A number of factors contributed to the conflict. Board operations executives and field travelers were sometimes not enthusiastic about the new program. Rationing was their first interest, price concepts were not understood, price control was resisted in boards where they had been able to establish or maintain good feeling. Moreover, the crystallization of the program in Washington was slow; for months even in 1943 it was not clear how serious Washington was about it; and Washington failed to clarify objectives, organizational requirements, and methods of operation. Unless these defects were corrected at the regional or district level, the board operations division was without adequate guidance in long range development of the organization. Moreover, many district price executives, trained in the attitude of legal exactness, or insufficiently interested in operations, were not enthusiastic supporters of the panel program. And district directors frequently gave only lip service to it.

Wherever the program failed to develop satisfactorily or efforts led only to frustration, conflict and buckpassing resulted. Price blamed the district director and board operations for not removing unsympathetic board chairmen and board operations for not having adequate clerks and volunteers; board operations thought price was unprepared to give information and instruction to the boards. All this overlooked the fact of satisfactory arrangements in many offices, where the spirit of cooperation and the leadership of the district director was strong; but the typical situation led to increasing agitation for a change.

Contributing to the agitation was the growing conviction that there were too many people contacting local boards. This view, it should be said, was characteristic mainly of administrative personnel; neither price nor rationing believed they had an excessive number of persons contacting boards.

The pattern for board contacts which had evolved may be briefly described. Field operations officers were assigned blocs of boards for which they were regularly responsible. In the summer of 1944 the

average number of boards per field officer was 12.5, ranging from a high of 31 in Connecticut to a low of 8 in New Hampshire. Board operations officers averaged one visit per board each 14.7 days. The same system of bloc assignment was used in price contacts. The average number of boards per price panel coordinator, as the price field travelers were called, was 12.2; and the average time between visits was 20.7 days.<sup>12</sup> In the price division, however, a tendency developed to supplement the work of the coordinators by occasional visits from the commodity specialists, particularly in district office cities and especially in such fields as consumer durables, where the regulations were numerous, or services, where some of the knottiest problems arose. In rationing the general rule was that the separate programs, or blocs of programs, should be carried to the boards by commodity specialists; but in some areas there were rationing field travelers with an over-all responsibility like that of the price panel coordinators.

In the summer of 1944 it was found that there were 522 field operations officers, 426 field price coordinators, 189 full-time rationing field travelers, and 33 board auditors or field accountants, making a total of 1,170 district office employees reported as spending full time on contacts with local boards. In addition 1,674 price and rationing specialists (924 in rationing and 750 in price) spent part of their time contacting boards; of these 920 gave less than one-fourth time, 455 others less than half time, and the remaining 299 more than half time to it.13

The argument within OPA, be it noted, was never that boards received too many visits or too much supervision, but rather that what they got was attempted through too many people. This view came to be widely held among boards as well as in field and national offices. A number of factors contributed to this feeling. First, there was the "drop in" visit. OPA encouraged its staff members to visit boards for their own education. Consequently, Washington and regional visiting personnel were frequently escorted to a few boards; and whenever district office price or rationing officials went to a community for any purpose they usually made at least a courtesy call at the board. Second, investigation officers from the Enforcement Division frequently had to call at the board for information. Third, when a major undertaking was being carried to the board, there was a natural tendency to take along experts on all phases of it. Fourth, visitors were encouraged to see the chairman and the chief clerk, which resulted in these officials being deluged with "minor" visitors. Fifth, in small boards the appearance of excessive visits by the many

<sup>&</sup>lt;sup>12</sup> The figures are taken from tables attached to "Proposed Reorganization of the Supervision and Management of Local Boards," a mimeographed report dated August 1944. 13 Ibid., pp. 24-25.

to the few was accentuated. Finally, the failure to obtain complete panelization in many larger boards meant that more than one specialist would have to contact the same panel.

Defects in planning and operations also contributed to the impression that too many people were traveling to boards. In many districts the coordinative function of the Board Operations Division under Operating Order 12 had been exercised weakly. Multiple visits continued to be made on the same day. Visits were not always channeled to those boards needing most help or supervision. Moreover, no real effort was made to explain to boards the many reasons why different people appeared at the boards. Many of the problems arising under Operating Order 12 might have been met by more effective coordination of visits, better planning of technical visits, and fuller explanation of the need for specialization in the many-sided aspects of OPA operations.

By the fall of 1944, however, two new factors reinforced the feeling that it was time to change the method of board supervision. The rosy picture of military progress on the European front and the dropping of rationing of processed foods and of most meats led to the belief that a period of liquidation was ahead for rationing; the system of board contact should be organized with the primary purpose of diverting board activity to the price program. In addition, the budget became so tight that the administrative planners were under pressure to find solutions which offered hope for economies in operation. These factors, added to the dissatisfaction over price operations and the feeling that an excessive number of people were visiting boards, led OPA into a new phase of board supervision.

### 4. The Third Period

The third period started with the so-called unified board contact plan, under which the responsibility for supervision of a small number of boards was unified in a board supervisor who reported to a board management executive in the district office.

The Washington decision to take this step was preceded by much discussion and experimentation in the field. A three-man plan was discussed under which rationing program contacts would be carried by one man, paralleling the field operations officer and the price coordinator. Experiments were tried in that direction, which accorded closely with historic practice in many eastern areas, where rationing

<sup>&</sup>lt;sup>14</sup> A report for June 30, 1944, showed that 7 percent of the local boards had only 1 clerk, that 12 percent had 2 clerks, 40 percent had 3 to 5 clerks, and 28 percent had 6 to 10 clerks. This left only 13 percent of the boards which had more than 10 clerks, and only in these boards could there be specialization paralleling that in the district office.

field travelers had been retained. A two-man plan was also discussed, under which rationing program contacts would be carried by the field operations officers and a separate program line maintained for price only. This idea originated in the widespread belief that the rationing programs were stabilized and hence that less program direction would be required. Finally, the one-man contact plan, which had been in operation in Mississippi and New Mexico for some time, was being tried in the Seattle, Portland, and San Francisco districts.

Antagonism to the one-man plan was almost universal among price and rationing personnel. Their objections centered around the factors of time, knowledge, and enthusiasm. To them it appeared that there was a full-time job for the field operations officer in maintaining a going organization at the boards and handling the many problems of procedural operation and managerial oversight and coordination. To price personnel it seemed that field operations officers already were unable to accomplish their basic task of providing clerks and volunteers for the price panel operation. Price and rationing specialists alike believed it was impossible for a single person to master the details of the many rationing and retail price regulations. They emphasized the need of the boards for guidance on details and the dissatisfaction of volunteers when "experts" from the district office could not provide satisfactory answers on the spot. They thought the administrative staffs simply did not realize how much technical knowledge the programs required, or were dreaming about supermen when they urged a one-man contact plan. Finally, program experts questioned the enthusiasm of the field operations travelers for work on program activities, particularly in price. They were acutely aware of the relation of enthusiasm for a particular program to the specialized attention and energy needed for its development.

The administrative group in the field and the national office thought that the time problem could be solved by increasing the number of field operations travelers. They argued that the problem of understanding could be met by employing competent board supervisors, by getting specialists to train them, and by continuing aid for them from the specialists. In place of enthusiasm for particular programs they emphasized the need for balanced consideration of all programs, with special attention to the ability of the boards to carry program workloads, and for the protection of board personnel from the competing claims of the rival program groups.

The final consideration of the one-man plan was introduced by a memo of August 29, 1944, from James G. Rogers, senior deputy, to all deputy administrators, summarizing the administrative considerations just outlined above, transmitting a report with recommendations

from the Administrative Management Department, 15 and requesting the deputies to be prepared for discussion of the plan recommended on September 4. The report contained a statistical summary on the number of persons contacting local boards. It referred to the shortage of travel funds, the lack of budget for clerical help in boards, and the "apparent reluctance of the Bureau of the Budget to approve disproportionate authorizations for the first half of the fiscal year" apportionments which would imply either the expectation of a deficiency appropriation or a sharp curtailment of operations later in the fiscal year. 16 It emphasized the need of developing price panel operations and concluded that "No small part of the failure to promote price work has resulted from the lack of a single directing authority close to the boards, with over-all responsibility for OPA programs and responsibility for balancing the programs and allocating the limited resources among them according to changing needs." It referred to the "continued over-emphasis of rationing to the neglect of price in many boards," the possibility of "sudden discontinuance" of some rationing operations, and concluded that "at this stage of operations rationing must forego any new refinements of their program which would add any extra work to the boards \* \* \* It is now too late to pursue profitably any further long-range planning in rationing."

The proposed plan had three main features. First, it would unify board contacts through a program trained board supervisor, essentially an operations manager who would have complete responsibility for a small number of local boards. A total of 922 supervisors, or an average of one for each six boards, was proposed, to be selected with care and classified at a grade high enough to attract thoroughly capable employees. A written report would be expected from the supervisor on each board visit, and one day a week should be set aside for conferences at the district offices bringing all board supervisors together with program executives and specialists. Second, it called for 186 program training specialists, one for price and one for rationing in each district office, for full-time contact with boards; but their visits were to be made only as requested by or through board supervisors or board executives, and as directed by the district director. Third, the report proposed the addition of operations auditors. "The operation

<sup>&</sup>lt;sup>15</sup> This was the "Proposed Reorganization of the Supervision and Management of Local Boards," cited in the previous section of this chapter.

<sup>&</sup>lt;sup>16</sup> The Bureau of the Budget thought that management improvement should be substituted for disproportionate allocations. The Bureau's view was confirmed in a memo, significantly dated August 29, 1944, also, from Elmer Staats to Glendon J. Mowitt, Deputy Director for the Administrative Management Department, on a "Program for Management Improvement in the War Price and Rationing Boards." On a list of suggested items for consideration the first was: "Reach an immediate decision on the details of a plan to provide for unified contacts between the district offices and the local boards."

audit affords for the first time a complete check on all phases of board work, made on a uniform basis, for the same period by a single audit team." There were to be 236 of these working in teams of two, one with experience in price and the other with experience in rationing. They would check at least one board under each supervisor each month and audit every board once each quarter. The check would extend to safeguarding and accountability, accuracy of rationing issuances, completeness of price checks, nature and adequacy of compliance actions, use of volunteers, size of any backlog, adherence to work procedures, adequacy of organization, arrangement of files, methods used in community service programs, apparent results of public relations, etc. These teams would report to the district director.

The proposal for unification of responsibility was adopted substantially as recommended; but less revision was made in program contact than was proposed, and for rationing the idea of a complete audit gave way to the concept of program reviews by specialists in particular programs.

The new plan was presented to the field in a memo of October 4, 1944, from Chester Bowles to regional administrators and district directors, with instructions to install it "as quickly as possible" and "not later than February 1, 1945." <sup>17</sup>

"Regular contacts" with the boards by field price representatives were to be continued "so long as this work is undergoing change and development"; but contacts by rationing personnel were governed by this paragraph:

Aside from the regular contacts by board supervisors and field price representatives, all board contacts are to be cut to the minimum. Other contacts by price and rationing commodity specialists may be requested by board supervisors to make special visits when any unusual need for extra assistance arises. Such board contacts by such program specialists are to be made only as planned or scheduled in advance in cooperation with the district board executive and with the approval of the district director. These visits are not to be for the purpose of supervision of program operations. The program specialists should confine themselves to studying the adequacy of operations in the respective programs and to keeping the district program executives currently informed on board situations. In effect they are to audit program performance on a spot basis. Where the single contact system has been reached any program operation found by such spot checks to require correction will simply be reported by the program specialists for attention by the board supervisor.

A question and answer digest which went to the field on October 14 stated that "rationing personnel who have been spending a major portion of their time on board contacts should be reassigned, either as board supervisors, or to other positions in the district office." It stated, however, that "technical questions should be taken up directly

<sup>&</sup>lt;sup>17</sup> New titles for the executives in the administrative line were regional and district board executive and, for the travelers the title of board supervisor was adopted.

by the board with the price liaison staff or the appropriate rationing specialist in the district office."

After considerable discussion a supplementary memo went from Chester Bowles to regional administrators under the date of December 27, 1944—just as the field was thrown into a turmoil by the invalidation of outstanding food stamps and the return of the full list of processed foods and meats to rationing. The memo elaborated on the responsibilities of the price and rationing departments, including definition and development of local board programs, development of the various forms of written instructions to the boards, and training of board supervisors. The further statement regarding the field contacts of the rationing specialist is quoted in full:

- 1. He should attend board clinics arranged by the board supervisor or the board executive for the purpose of group training on the application of the program. There should be close collaboration between the board executive and rationing executive to determine when and where meetings are to be held.
- 2. He should contact boards needing specific instruction. These trouble shooting contacts will generally originate at the request of the board supervisor or become apparent to the board executive and the specialist as a result of review of the board supervisor reports, program check sheets, and other program reports. This type of contact is designed to correct situations in the board needing specialized knowledge and the services of the specialists. Whenever possible, these contacts should be made in company with the board supervisor in order to give the supervisor the benefit of on-the-spot training on a given program. In any case, the board executive should be informed of these contacts beforehand.
- 3. He should make program reviews for the purpose of evaluating adequacy of operations on the particular program. The program review will include a spot check of all board actions on the commodity program, and a complete audit if major irregularities are revealed. The specialist's program review will have two purposes: (a) to determine the effectiveness of the instruction and supervision of the board on the program, and (b) to obtain with the cooperation of the board supervisor a complete program review of all programs in every board at least once every 6 months. The visits should be planned so that the commodity specialist will (a) give on the spot training to the supervisor on program reviews, (b) make program reviews in all boards which cannot be given such a review by the board supervisor, and (c) spot check the effectiveness of the board supervisor's program reviews.

These visits should be worked out with the district rationing executive and the schedule cleared with the board executive at the beginning of each month. In these regularly planned examinations or program reviews, the rationing specialist must have a well defined program planned for each visit. His call on the boards should be timed well enough in advance so that he can have, if it is desirable, full attendance of the panel and the clerks, and his visit should be so planned that the board supervisor can participate.

Later developments, from the fall of 1944 until the end of rationing in the local boards may be summarized in outline form. It should be borne in mind throughout, however, that rationing was anything but stabilized, and this became clear to all after December

1944. 1945 presented a severe test of the rationing machinery, including the operation of local boards and the system of board supervision.

1. The field offices moved rapidly in the installation of the plan,

in most cases completing personnel assignments by December.

- 2. In most cases the former board operations executives were continued with the new title of district board executive. The position carried a higher classification, equivalent to that of field rationing and price executives; but the result was largely the upgrading of existing personnel rather than the choice of persons with higher qualifications.
- 3. The budget allocation for field travelers in the Division of Boards, as the supervisory unit was now called, was increased by July 1945 to 853, giving an average of 6.5 boards to each traveler.
- 4. A considerable number of experienced rationing persons became board supervisors, and the designation of rationing personnel as field travelers ceased.
- 5. In most areas full responsibility was transferred to the board supervisors before adequate training materials on the rationing programs could be prepared. The Washington office added the "Introduction to Rationing and Rationing Programs" to the Loose Leaf Service on March 22, 1945; but other training materials were prepared in the field.
- 6. One notable achievement was the improvement in planning of the work of the supervisors. In the spring of 1945 the Office of Local Board Management in the Washington office began to "schedule" the work of the supervisors. A program of work was sent out for each 2-week period. The program went out in time to be discussed in regular district office meetings of supervisors and technical personnel. The Price and Rationing Departments in Washington were put on notice to plan their operations in terms of definite projects for successive periods. It was an administrative device which worked well. It gave an opportunity to consider competing claims of the branches against workload capacity and to check on the performance of supervisors in terms of a work program.
- 7. The new plan for the first time enabled the universal installation of the only useful device at hand for checking on board performance in rationing, namely, the check sheet. This was a list of specific questions on which the boards were to be checked. It sometimes contained advice on action to be taken if the check on a particular question revealed error or looseness in board methods. By this means boards could be checked on procedural processes or on the simpler, specific program requirements. The technique had been developed in rationing branches as early as 1943, but only in 1945 was there a

group which could contact every board on a common assignment. It became the practice to include check sheet questions prepared in the rationing branches on each 2-week schedule for the supervisors.

The rationing branches achieved considerable expertness in the preparation of the check sheets. Seven or eight questions might be prepared by two or more branches for which the supervisor could obtain answers in a board in less than 2 hours. The questions were designed to reveal board methods on program activities in which there was most likelihood of loose action, and thus laid the basis for education of board clerks on proper methods.

8. An attempt was made to develop a more comprehensive technique for auditing board operations. This was the program review. The objective was to outline the essentials of reasonably satisfactory performance on each program. This outline would supplement the education of the supervisors and also provide the basis for a review of operations. Whereas the check sheet gave only a piecemeal audit, the program review would provide a means for determining whether performance on a program as a whole at a given time conformed to reasonable or minimum standards; and whereas the check sheet had value, in the main, for checking mechanical performance, the program review would give more attention to the adjudicatory action of the board.

In developing such a technique two different situations were revealed. In some programs the limited number of types of issuances or simplicity of eligibility standards made it possible to devise a program review of limited scope, adaptable to use by a generalist. In these cases real progress was made toward comprehensive reviews. A program review on shoes was on the schedule for board supervisors in July 1945; and program reviews on tires and institutional user issuance were substantially ready for use by that time. When the program review on shoes went to the field, however, some areas reported inability to carry out the assignment under existing pressures and the New York region refused to schedule the review, pleading time limitations.<sup>18</sup>

In other programs the regulations provided for issuance of various types of rations under very complex criteria. It appeared to be impossible in fields like fuel oil and gasoline to develop reviews of minimum adequacy which could be made with existing staff in board management and rationing. The critical situation in gasoline rationing in the summer of 1945 led to plans—cut short happily by VJ-day—for joint use of all available personnel in rationing and board manage-

<sup>&</sup>lt;sup>18</sup> VJ-day brought changes in the tire program which called for a new educational program rather than an audit of performance. As has been noted, institutional user issuance was transferred to the district offices.

ment, and for extensive training sessions for the latter, to make a spot check on gasoline issuances; but no one knew how far it would be possible to get follow-up reviews of weak boards.

9. Even in the last days of rationing new program developments of great significance continued to occur and the rationing personnel had to carry a considerable part of the burden of technical training. This was true, for example, of home canning in the summer of 1945, of the salesman-technician amendment in May 1945, and the changes

in the tire program after VE-day.

Moreover, it had been recognized that audit of performance had become the most important need, but the Rationing Department was left without adequate means of auditing local board performance and correcting abuses. The standard set in the memo of December 27, 1944, of "a complete program review of all programs in every board at least once every 6 months" was simply not attainable under conditions which existed in the field. The simplest program review developed, in shoes, could not be carried out in all places. The Office of Board Management, which had strongly urged the rapid development of program reviews, was unable to give performance. The field rationing staff was inadequate for a task of this kind. Every spot check had offered testimony of over-issuance of gasoline at the boards, and OPA was exceeding its total allocations; but a sizeable additional staff of auditors, not available, would have been necessary to audit issuances regularly. In food the lack of a staff to audit institutional files and correct inaccuracies and abuses which were known to be widespread was one of the factors leading to transfer of the files to the district office. In the end it was apparent that no method of organizing board contacts could compensate for inadequacy of personnel for the task.

## 5. Summary and Conclusions

It was apparent in the beginning that work "out there" with the boards was necessary. Rationing and board organization staffs went out to tell the boards how to adjudicate the applications and to give help on administrative services. Training and assistance were the objectives. Later, the increase in number of programs, the work-load and budget problems, and the pressure of the Price Division led to attention to operating methods and to coordination of board visits. From an early date, there were some audits of issuances; but performance checks could not obtain the emphasis that training, services, and operations received.

As time passed more and more effort was made to strengthen the administrative channel of contact and supervision. Operating Order No. 12 converted the organization executive into an operations chief,

gave him coordinating authority as the representative of the district director, and even authorized program education and supervision through the administrative line of contact. Later, under the unified board contact plan, officers in the administrative line were given responsibility for supervision of all aspects of board work, including specialized program activity.

Along with this effort there was a decline in emphasis on specialized program contact. By late 1944 the view became prevalent among officials in the administrative line that the rationing program was sufficiently stabilized so that continuous education and stimulation by program representatives was no longer essential. And while the agency had started with a large measure of independence in board action and an emphasis on good relations with the boards, it was never able to develop a program for systematic, continuing, universal audit of program performance.

The final result was greater attention to facilitative aspects of board operations than to program performance. The board supervisors were heavily engrossed in problems related to administrative services, maintenance of adequate organization, and allocation of board resources. These preliminaries of good program performance had to have prompt and continuing attention. On the other hand, the board supervisors, though trained in biweekly meetings, usually knew less about the detailed price and rationing regulations than the well-informed panels. They did not have time to sit down with the various panels and assist them on their problems of adjudication. Experience showed also that they might, through the check sheet procedure, test the mechanical aspects of board operations but that they had little time for reviewing the quality of adjudication.

On the other hand, the rationing department by the end of 1944 had lost most of its remaining field travelers, food rationing staffs were busy at their desks in the district offices, and personnel was not available for continuous contact and supervision on the various programs. To a considerable extent the Rationing Division lost contact with its agents at the local board.

In view of the use of the same boards for price and rationing, it was probably necessary to emphasize the responsibility of travelers who represented the agency as a whole. Strengthening the responsibility of the travelers in the administrative line was in a sense comparable to the provision for a stronger line of supervision through the administrative line at the higher levels. Nevertheless, it appears in retrospect that at least two other needs called for greater recognition.

The first was the need for carrying the system of communication and control through multiple channels all the way to the antennae of

the organization. Functionally and organizationally there was at the local board the same linking of programs which prevailed at other levels in the agency. This is not to say that each of the rationing programs needed to be carried to the boards by separate personnel. The local board functions in rationing of shoes and rubber footwear were simple enough to have been carried to the boards by persons having other responsibilities. Food, gasoline, tires, and fuel oil were different. Possibly two or three, rather than four sets of program contact personnel, might have carried these programs to the boards. The most likely combination was gasoline and tires, for a long time combined in the district office. But the food and fuel-oil programs were so distinct and so complicated that good performance required continuing specialized contact with the panels administering the programs. Where rationing divisions retained until late 1944 a set of rationing field travelers, these normally gave most or all of their attention to the old mileage rationing programs, and the boards. to a large extent, were left to themselves on food and fuel oil.

The second need was to recognize clearly that a system of local administration, particularly by part-time volunteers, requires a considerable expenditure for aid and supervision. The desirable complement to a system of administration of the gasoline regulation by nearly 5,600 boards, approximately 11,000 paid clerks and thousands of panels and volunteer clerks, would have been a corps of at least 150 or 200 supervisors, responsible for continuous training, spot audit of issuance, and corrective suggestion. The desirable complement to the delegation of responsibility for industrial and institutional user rations to the boards would have been a small corps (small compared to the estimated 3,000 man-years of clerical time required each year at the board) of supervising food specialists.

The difficulties in finding a satisfactory solution were partly traceable to budget exigencies. In retrospect, it appears to the author that they were also due to the failure to appreciate the administrative implications of the multiple nature of OPA's operation and the full measure of the supervisory complement in delegation to local, part-

time staff.

# CHAPTER

# IX

# The Work-Load Problem in Rationing Field Operations

The sheer magnitude of rationing operations and the continuous pressures attending them were probably the main reason in fact for the establishment of a separate Rationing Department in OPA; and work-load problems were always near the center of departmental attention. The lack of adequate staff to carry the heavy volume at district offices and local boards has already appeared in this analysis. It is appropriate here to inquire how the agency behaved in the face of the work-load dilemma: Should tasks be tailored to the resources, or attempted anyhow with the prospect of indifferent success? Could productivity be improved? What factors determined the choices?

Frequently, little or no advance notice went to the boards or district offices on new and big jobs. Sometimes this was unavoidable; more frequently perhaps it was the result of the failure of planning and communications; but always quick response from a flexible, alert and

resourceful field organization was needed.

At the local board where people stood in line or waited for action on mail applications, and where the board staff accordingly knew at first hand the pressures for immediate action, a habit of getting out the rations on any prescribed schedule developed inevitably, at whatever sacrifice of standards the schedule required. When local people made numerous applications for tires, gasoline, fuel oil, or home canning sugar, the board and the clerks took any steps they thought necessary for quick action on the applications.

This meant that some rationing work was not done well when the load was too heavy. For example, home canning sugar applications might be adjudicated without careful analysis. It also meant that price work, on which delay or postponement would bring few if any

public complaints, would suffer if rationing work was too heavy. And there was always the threat that the volume would prove too heavy for the volunteers so that some part of the scheduled load would collapse. But the national office in the early days was never deterred from undertaking to ration a commodity by considerations like these.

At the district and regional offices two attitudes developed toward the ever-recurring pressure of new tasks. First, a considerable degree of local option was exercised when it appeared to be impossible to get all the work done. The field office staffs, in the absence of pressure from Washington, made their own decisions on priorities. Second, the consequences of emergency psychology developed lasting effects. So many tasks came out with emergency timing and with emergency priorities that the habit of regarding other tasks as nonessential tended to develop. And the Washington office, instead of adopting a training program which emphasized the need of trying to complete all work assigned, lapsed into the habit of listing more and more tasks as "must jobs." The currency of priorities depreciated, with the result that the separate organizational units in Washington vied with each other in getting special memos from the Senior Deputy Administrator to the field emphasizing their assignments as being part of the "must" list. The field offices suffered some loss of enthusiasm for finishing projects not so bolstered.

# 1. Consideration of Work Load in Program Planning

In the Washington office the rival factors of program need and work capacity were frequently weighed. In the program branches there was a natural tendency to favor all actions which made for the attainment of program objectives, even though these resulted in increased work load. On the other hand, among those concerned with over-all operations in the Office of the Administrator or the Deputy Administrator in Charge of Rationing, or for the agency budget, there was a conflicting emphasis on work-load factors. It was difficult to draw the line between the actions which were essential for effective rationing and those which tightened the administration of the program but could, nevertheless, not be justified in terms of work load. So many administrative miracles were performed, however, that program enthusiasts were seldom impressed by arguments based on field work load.

Sometimes performance on a heavy work-load schedule was simply demanded by a program objective. Thus, "B" and "C" gasoline rations were issued for 3-month periods in spite of repeated suggestions from budgetary and other quarters that the period be extended to 4 or 6 months. The Rationing Department realized that gasoline

would be lost and the danger of exceeding the allocated supply would be greater if these rations were not reconsidered at short intervals to determine whether in individual cases the same need still existed. It insisted almost until the end that quarterly reissuance was necessary. Again, it was always thought that because of seasonal operations and other factors, institutional user issuances could be made for no longer than 2 months, even though this meant a frequently recurring work load.

Sometimes a statement of program objective was followed by a strong effort to obtain performance. Thus, in May 1944 the district effices were asked to audit industrial user files. Approximately one year later a report was obtained on the extent to which this assignment had been carried out and a strong wire demanding completion of the task was sent to each region where it was not. Again, the Washington office obtained very detailed monthly reports on the progress of the shoe inventory in each district office and pressed for completion in the offices where activity lagged. An effort was also made to obtain a careful adjudication of home canning applications in 1945—an effort which was successful in few areas.

Sometimes programs were planned without hope for more than partial performance. Thus, following the invalidation of consumer food ration currency at the end of December 1944, instructions were given to recover excess currency and inventory in the hands of institutional users. It was known that only a portion of the boards would, under the tight time schedule and with the inadequate supervision which existed, really carry through the recapture program. Even partial performance, however, would save some food for the rationing system. The collection of point payment defaults by retailers to their suppliers is another example. The district offices were the collection agents, but were never able to do the whole job. In the food program, also, reports from primary distributors of meat and dairy products were given no attention in some offices.

Sometimes, on the other hand, work load considerations ruled out plans for field performance according to program need. The most obvious example has already been mentioned, namely, the inability to provide for a regular audit of gasoline issuances.

Finally, changes in program were occasionally made to meet the work-load problem. The decision to have banks report on overdrafts monthly instead of every 2 weeks was such a case. Although the Enforcement Department objected, the Rationing Department insisted that staff was not available in the district offices to handle the reports on a more frequent basis. In the summer of 1945 the Rationing Department also agreed to accept in principle, for application later in the year, the issuance of gasoline supplementals on a 4-month rather

than a 3-month basis; this was a concession to budget exigencies solely. The allowance of one-man adjudication on home canning applications in 1945 is another example.

# 2. Other Means of Meeting the Work-Load Problem

In addition to considering work loads in program planning, OPA made various efforts to solve the work-load problem.

One was an attempt to schedule operations so that peaks at the local board would not rise too high above the normal level of operations. As the Price Department's demands on local boards expanded, more and more effort was made by assistants to the Administrator and by the Office of the Deputy Administrator in Charge of Rationing to obtain the fullest consideration in every new action for any possibili-

ties of reducing or spreading the work load.

Many factors, however, limited the effectiveness of efforts to schedule operations. Program changes had to be made quickly to meet new supply situations. There was no way of avoiding some overlapping in program loads. It was a matter of chance, for example, whether home canning issuances and the summer fill-up campaigns in fuel oil hit particular boards at different times. Both were summer programs and neither could be planned so as to avoid a peak above normal operations.

The most successful effort to spread work load was the staggering of "B" and "C" issuances in gasoline. At an early stage it was arranged to grant renewals for periods of varied length. Thus subsequent renewal applications came in at staggered times and the work

load became fairly even and continuous.

Unfortunately, the same step could not be taken in food rationing because of changes in point values. It was desirable to have such changes apply to all bulk users of a particular commodity, both institutional and industrial, at the same time. However, the early decision to grant industrial user rations for 3-month periods and institutional user rations for 2-month periods, did insure that these two loads would hit the boards at the same time on only two occasions in one year.

The most generally promising means of meeting the work-load problem lay in the improvement of mechanical features in the process of granting rations. Over a period of time a number of changes were devised and the burdens on the offices affected were correspond-

ingly reduced.

One of the earliest of these was to get people to send in their applications by mail instead of appearing in person. This reduced the work at the counters at the local boards and the discussions at the

board sites over eligibility. It made for a big decrease in average clerical time required for each application.

Another improvement was the establishment of mailing centers from which currency was mailed to those the boards found eligible. The centers received from the boards the names and addresses of eligibles and lists showing the type and amount of ration to be issued to each. Where such centers functioned, the boards issued currency

only in cases of emergency need.

The volume of work in the mailing of currency was tremendous. Where war-ration books were issued to replace lost or stolen books, or for babies, discharged soldiers, etc., stamps had to be torn from the books, so as to leave only the amount of currency to which the recipient was currently entitled. This "tailoring" had to be done for several hundred thousand books each month. In coupon issuance it was often necessary to tear from several rolls so as to provide the user with currency in varying amounts or to give him the exact amount to which he was entitled. To prevent theft or carelessness in the handling of currency, it had to be checked out to issuing clerks, and the issuance list for each clerk and the currency remaining in the clerk's box checked at the end of the day. In a large board, the number of clerks working on the tailoring, computation, issuance, and mailing of currency was large, and the supervisory responsibility heavy.

The biggest advantage of the mailing center lay in the opportunity to provide for more adequate protection of currency than could be arranged at each local board.<sup>2</sup> There was, however, the additional advantage of relieving the boards of a very sizeable clerical work load and providing for economies through use of assembly line techniques.

Mailing centers were never established in all districts. A big drive was made early in 1944 to get them established and to extend their coverage to all or a large portion of the districts served and to most types of issuance. In July 1945 there were 71 mailing centers serving 2,418 boards, including most of those with heaviest issuance. The centers never issued all currency but relieved the boards on those types of issuance where the burden was heavy.

Certain other changes reduced the work load in the handling of currency and the mailing of rations. First, the ration banking system relieved the boards of the burden of acting as change makers. Also, for those having ration banking accounts, the writing of a single check by a board clerk would take the place of the tearing of currency from rolls. Second, the substitution of strip currency for the tailor-

<sup>2</sup> The mailing centers issued vast amounts of currency each day. Protective arrange-

ments were made, similar to those in banks.

<sup>&</sup>lt;sup>1</sup>For institutional users, the task could be simplified under central issuance by having a skilled clerk calculate the amount of each type of currency needed and note the figures on the guide list used by the clerk-tearing the currency from the rolls.

ing of books reduced the work load on gasoline issuance. Third, mailers attached to application forms, on which the applicant wrote his name and address, and which could be torn from the application and used in a window envelope, eliminated the task of addressing envelopes. After experience had proven the value of this device, the rule was adopted that all applications should have a mailer. In this way a very material reduction was made in the clerical work load in mailing rations.

The great endeavor to simplify forms, which became an important and continuing element in operating policy for reasons of trade and public relations, also had an effect on work load. One consideration in the development of application forms thus was the convenience of the clerk processing the form at the local board. Form designers and clearance officials tried to arrange the information supplied by the applicant in such a way as to simplify the checking and analysis by the clerks and panel members. This was particularly important in the case of fuel oil, where adjudication depended upon complicated computations, and in the issuance of institutional user rations, where the application form carried space for the detailed computations

which had to be made by board clerks.

The simplification and streamlining of procedures was another means of reducing the work involved in the mechanical process of issuing rations. Unfortunately, some of the possibilities of effecting considerable economies in this way were not recognized until late in the day. For example, in the summer of 1945 a serious effort was made to improve the procedures for issuing institutional user rations. First, it was recognized that the practice of pulling the institutional user's file and referring to the base period statements for information needed for the calculation was wasteful. The needed information for each user could be placed at the top of a record card and the cards filed alphabetically in a box. Location of the card and reference to the information needed would take much less time than finding a file folder and looking for information from the base period statement. Second, it was apparent that if the issuances were made from the district offices calculating machines and assembly line methods could be used, with consequent reduction in the total size of staff required. With these possibilities for savings in view, the Office of the Deputy Administrator, the Office of Budget and Planning, and the Institutional User Branch of the Food Rationing Division collaborated to develop a record card and tentative procedures, which were then tested in sample runs. When the institutional user files were moved to the district offices, plans for setting up the cards and for streamlining the procedures were fully developed and ready for use in the district offices. It was estimated by the Office of Budget

and Planning that the work load in institutional user issuance could be reduced by these and other means to about one-third of its former

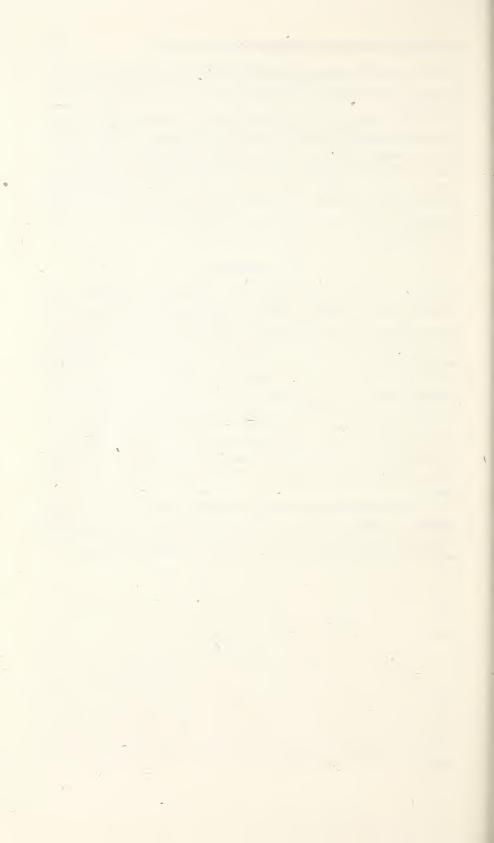
proportions.

The field staffing studies made in 1945 also indicated the need for developing standard procedural patterns for some of the other important district office operations in food rationing. One objective was to indicate the tasks which should have been delegated by the food specialist to clerks. It is probable that careful procedural planning and accompanying arrangements for fullest use of clerical staff would have contributed greatly to more adequate performance of the food rationing job in the larger district offices.

## 3. Summary

Budgetary, managerial, and higher supervisory officials became conscious of the problem of field capacity to handle the heavy work load and made increasing efforts as time passed to insure the examination of programs in terms of work load, and to find ways of getting essential tasks done with the minimum expenditure of man-hours. The necessity for the effort increased as price activities expanded at the local board without a corresponding increase in budget. In general, OPA found it difficult to contract program requirements because of work load limitations. Indeed, it necessarily started without the needed staff and never enjoyed the luxury of adequate staffing. It could only meet the problem, as it should have been met to the fullest extent possible, by trying to discover methods of improving clerical productivity.

The rationing operation offered tremendous opportunities for management planning. Involving millions and millions of actions, a group of recurring tasks, and a heavy volume of clerical operations, it was an ideal candidate for continuing study of operating techniques.



# CHAPTER

# X

# Conclusion

### 1. Local Volunteer Administration

The experience in wartime rationing demonstrated that national-local cooperation can sometimes be a feasible method of attaining emergency goals. It revealed the immense potentialities for huge, sustained, resourceful, voluntary effort in the communities of the Nation, and the practicability of drawing upon these community reserves of time, talent, and willingness in the administration of national emergency programs.<sup>1a</sup>

The system of community and voluntary individual participation served several purposes. It provided a means of administration—a method of getting rations to the people promptly and with a minimum of inconvenience. It helped get public acceptance of the idea of rationing and the justice of individual decisions. It provided local participation in a national program. All in all, it served to bridge the gap between the national plan and the folks who lived under it.

OPA's experience in rationing indicates, however, that there are shortcomings in the system of local volunteer administration which must be met if it is to operate with reasonable satisfaction. Moreover, the experience does no more than indicate the utility of the system in a limited area.

One marked characteristic of the system in wartime rationing was unevenness and some looseness in administration. There was considerable variation in the degree of adherence to ration orders in the adjudication of applications, and of conformity with prescribed standards of organization and procedure.

Unevenness and laxity are to be expected when volunteers are used. Appropriate steps to counteract such tendencies should be provided in any organization depending on them.

<sup>&</sup>lt;sup>12</sup> For a fuller discussion see Imogene Putnam. Volunteers in OPA, op. cit.

OPA's experience in rationing indicates some of the ways this may be done.

The most effective method is to supply a single, authoritative rule book. If this is done quickly and with adequate protection against conflicting instructions, it can form the basic tool for developing the desired habits of thought toward adherence to law.

A second method is to share information and purpose as fully and promptly as possible. It is not sufficient to tell volunteers how the job is to be done; it is necessary also to explain why the job, in its totality and its particulars, needs to be done. If the reason is weak, then poor performance is not the evil; if the reason is adequate, its communication produces confidence, cooperation, enthusiasm, and pride in performance.

A third method is to set bounds on discretion. The ceiling on individual issuance, the mathematical formula, and the quota on total issuance were some of the devices used by OPA. Another device was increasing specificity in instructions. Of these various methods, the most effective in OPA experience was the quota on total issuance. The quota gave the boards a standard of over-all responsibility which

was accepted willingly and adhered to scrupulously.

It should be added, however, that national recognition of the inevitable desire to mitigate the effects of regulations in cases of extreme hardship may be the realistic approach. Some grant of discretion, if properly bounded as to area or amount, may be the desirable link between the rigidity of regulations and the sense of equity and charitable impulses of the local administrator. In OPA the allowance of the hardship ration in gasoline, restricted by a quota limitation, was a useful method of allowing some local adjustability in the application of the gasoline regulation.

A fourth method of obtaining uniformity and the desired degree of observance of standards is review and corrective guidance. The program review may be the only precise instrument for determining adherence to regulations.¹ It is an essential management tool for spotting the places where supervisory activity is most needed, for providing a basis for approach to any local authority not adhering to regulations, and for building a record to justify the occasional exercise of disciplinary action. Corrective guidance, not discipline, is however the main object. Community volunteers normally desire to understand the regulations and act in accord with them; but they may need aid on some border line cases, support from above on the unpopular rulings, or a

<sup>&</sup>lt;sup>1</sup> Speaking of inspection of field stations, John M. Pfiffner writes "\* \* every well-run organization of considerable size has found it necessary to install some form of inspection. It is one of the types of internal check upon which most reliance is placed." Public Administration (Rev. ed.), p. 159.

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reminder of the need for uniform application of the rules. If established early as a regular practice, local acceptance of the tool may be expected and a high standard of performance become a part of the habits of local administration.

One major weakness in the system of local administration in rationing was the failure to set up systematic procedures for review and guidance on program, as distinct from administrative, operations. Outstanding was the failure to provide for the review of gasoline issuances in boards which were over-issuing and to require correction during the next issuance period. Also significant was the failure to audit the industrial and institutional user files or to take from the boards earlier the task of issuing these rations. There was also little check on most other program performances. There was an early emphasis on training and stimulation, and at a later date attention to administrative operations, but never provision, except on an occasional basis or in limited areas, for program review and corrective action.

It would probably be unsafe to assume, however, that the use of all possible administrative techniques for guidance, bounding of discretion, and corrective action would be sufficient to overcome entirely the tendencies toward independence in local volunteer administration. This would be assuming too much for management techniques. Community participation will inevitably bring into an organization people whose receptiveness to the purposes of the program and to overhead guidance and check is limited by a variety of human and institutional factors. One important objective in central policy must therefore be to obtain local administration by persons sympathetic to the objectives of the program and willing to cooperate with the paid officials who carry directive and supervisory responsibilities.

Ultimate success in this objective depends in large measure upon national and community psychology. In wartime rationing the centrifugal tendencies of local volunteer administration were partly counterbalanced by patriotic impulses and by extensive agreement on the necessity and justice of rationing. There were, however, some functions connected with adjudication and issuance of rations which could be better performed outside the boards. In three cases the transfer of functions from the boards contributed to stronger control and economy in operations. At mailing centers currency could be better protected against theft and the routine task of tailoring and mailing rations could be streamlined. Both in industrial and institutional user issuance the centralization of operations laid the basis for stricter practices and for economy in clerical operations.

Although adequate aid and supervision might have been a substitute for transfer of industrial and institutional user issuance, the sys-

tem of local board administration seemed to be neither essential nor suitable for this type of operation. Local board members were placed in a difficult position in regard to denials of leading business concerns whose operations had to be curtailed and whose interests sometimes seemed to coincide with those of the community. In industrial user cases rations had to be issued by a local board to concerns operating on a Nation-wide scale. And in neither type of rations was it as essential as in consumer service to provide an adjudicatory authority within the same town. Transfer of issuance to district offices brought savings in clerical expense and those advantages of impersonality and remoteness which sometimes inhere in centralization.

Near the end of the wartime rationing program there was a strong trend in OPA toward the idea that, as a general rule, it would be desirable to handle trade rations at the district office. Trade actions were often based on complex criteria. The chances for pressure on the local board were sometimes great. The danger that an error or special favoritism in the single instance might lead to a chain of petitions, and to consequent weakening in local administration, were greater than in consumer rationing.2

### 2. State versus National Administration

The revision in administrative plan in the spring of 1942 in which national hierarchy was substituted for State administration appears to have been a necessary step. Administration of regulatory controls rather than service programs required more sanctions than were available, or more continuing agreement on policy and method than could be safely relied upon in a system of State administration. Such a system would have brought a measure of administrative independence, heightened in instances by the political differences which accompany our constitutional federalism. The interposition of State agencies between the national authority and the boards would have made the problem of supervision more difficult, would have complicated the task of obtaining uniform administrative standards, would therefore have invited competitions in laxity, and might thus have led to serious disagreement with some of the States.

# 3. Starting Right

Although urgency and limitations on foresight condition the initiation of emergency programs, administrators should never forget the

<sup>&</sup>lt;sup>2</sup> Price panels sometimes could not understand why they were not given authority to adjust local prices. Such a delegation was never considered, perhaps because of the complexity of the standards of adjustment and the danger of a chain reaction being started by a few adjustments made without strict adherence to adjustment criteria.

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importance of starting right. Several factors in administration of wartime rationing emphasize the need.

First, a correct start on organization is important. Revisions in organization created antagonisms within and also from outside OPA. This was one result of the shift from State to national administration. The decisions in December 1941, and in April 1942, on methods of administration were probably both "right" at the time they were made; but it may be hoped that management planning will be able to indicate methods of administration for future emergency programs which can be used promptly and also be retained for continuous administration.

Moreover, organization changes sometimes cannot eliminate behavior patterns which have already developed. Whether holding the elements of strength in OPA's field program staffs was a gain sufficient to counterbalance the delay in establishing an integrated field organization may be debatable. To the author it appears that the failure to crystallize an integrated field organization as OPA moved out of the early period of structural fluidity gave rise to habits of divisional autonomy and to a delay in administrative coordination and leadership which, in view of the extensive specialization of duties among the divisions, prevented the fullest effectiveness in over-all program accomplishments. It was too much to expect that regional administrators or district directors in the later years could make their best contributions in the setting they inherited.

Second, where obligations are imposed upon business and the attainment of program objectives depends upon performance of these obligations, a correct start on trade education is of the highest importance. OPA fully recognized this. It established commodity experts in field offices to serve as a channel of contact with the local trade; it devised the point chart technique for informing the retail food trade; it used industry committees, trade meetings, and other methods of trade education quite extensively. Moreover, it made a tremendous effort to reach the trade at the time programs were initiated. Nevertheless, programs were instituted so quickly and the field staff in the first year was so small and untrained that adequate trade education was impossible. In rationing this created difficulties because the system of control had been built around the flowback system, in which each seller of a rationed commodity was made responsible for his currency balance. Unfortunately, the conditions under which programs were established, and looseness in some cases in the provisions regarding payment for commodities, made it difficult for the dealer to maintain a balanced position; moreover, these factors and the lack of adequate preliminary educational effort delayed the development of the idea that ration currency was irreplaceable "money" for which the dealer must account or face difficulties. In rationing a better start on trade

education would have reduced later needs and pressures for bail-outs, simplified the problem of enforcement, and made the system of dealer responsibility an effective method of keeping the program solvent.

Another need is a good beginning in the instruction of local operators. As quickly as possible the system of communication needs to be regularized and an authoritative standard of reference established. OPA ultimately developed in the Loose Leaf Service a satisfactory local board guide, and the techniques used in this guide may offer aid to the administrator of the future. Particularly is this true of the annotation system under which operating instructions appear with the governing regulatory provision. A cooperative spirit, even zeal for performance, may be created by personal contact; but a method of systematic, continuing written instruction is imperative.

Dealer responsibility and board adherence to regulations were the two legs on which the rationing program had to stand. In both cases the quick installation of programs prevented the development of

satisfactory attitudes and practices.

Two conclusions may be stated. First, although urgency is usually the dominating factor in installation of emergency programs, the planners should weigh the disadvantages of delay in program installation against the advantages in more adequate arrangements for administration thereafter. Second, where delay is not possible, and the success of programs must depend upon the action of a local trade and local administrators, the administrator of the future may profitably take his lead from wartime rationing where a resolute effort was made to maximize trade and board education in a minimum period and where some techniques were evolved which could be employed more quickly in another emergency.

# 4. Multiprogram Administration in Field Offices

We have seen that a number of programs were administered at each level of office in OPA's organization and that the separate identity of the various programs was maintained at each of these levels. In rationing there was a double linking of programs: First a linking of all rationing programs, and second a union of rationing with price and rent control. In the national office the primary responsibility for each rationing program was in a branch and the programs were linked together at divisional, departmental, and agency levels. In the field offices the Rationing Division was a union of separately organized programs, and it in turn was only-one unit in a larger union of programs. Panelization at the local boards aimed at separate administration of each rationing program, and the initiation of the local

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price program converted the local board into a true War Price and

Rationing Board.

This system of linking separate programs was paralleled at most levels in the various offices by the organization of common services. Nevertheless, a primary responsibility remained in program units; and OPA, both functionally and organizationally, was, in its various offices, a union, sometimes at several organizational levels, of separate programs.

The difficulties in administration of large new programs by a hastily assembled and diversified staff were increased by the complexities of multiprogram administration. There were jurisdictional lines to be drawn and understood; cooperative attitudes needed to be developed; coordination became a necessity. These needs were only partially met. Moreover, much attention was necessarily focused on the problems of interrelationship; and at the final level of supervision and contact, between the district office and the local board, OPA seemed unable to resolve the elements in the organizational problem.

It may be argued whether, in view of the divorce of price control from supply management, there were sufficient advantages in the combination of rationing and price control in the same agency to compensate for the added burden on administrative officials, the difficulties of joint administration, and the concentration of resentments against an agency which carried a large proportion of the unpopular wartime controls. Even if the advantages in combination were preponderant at the national level, it may be that the combination should not have been carried all the way to the lowest operating unit. In the author's opinion the price and rationing programs both suffered by combination at the local board. Price control suffered because of the inability to hold clerks for it against the claims of rationing duties and because of difficulties in getting the boards interested in a second program; rationing suffered because of the continued emphasis in board education and direction on the price job; and both suffered from the inability of the agency to solve the problem of combining an over-all channel of contact with instruction and supervision on particular programs.

Nevertheless, the experience of OPA does reveal that it is possible to carry several programs to the people through the same field offices. Assuming a decision to link programs together in a single national office, then the advantages and the possibilities of use of joint field administration should be carefully considered.

Chief among these advantages is the opportunity to achieve economies and greater effectiveness in the provision of common services. Three facts are significant: First, the wide range of services which may be rendered for parallel operating units; second, the oppor-

tunities for professional competence and for operating economies in the rendition of these services; and third, the opportunity to contribute to program effectiveness through mobility in use of personnel.

In OPA the joint operations were not all strictly of the house-keeping or the facilitative type. Accounting controls over currency issuance, enforcement, and to an extent the supervision of board operations were part and parcel of the substantive or primary task. In other words, the extension of common services brought some division of responsibility for program operations.

OPA's experience in multiprogram administration through a single chain of offices points toward three concepts in administrative organization. First, there is the concept of multiple direction and supervision through a hierarchy of officials, previously referred to as multilevel supervision. This extends both to communication and to check on performance. As a concept it is useful for avoiding the excessive "spawning" of separate field offices by multipurpose agencies. It makes workable a departmental organization in which specialties or programs are linked at several levels to a single set of field offices. Second, the idea that field administration is an integral part of general administration is confirmed. It follows that responsibility for field relations should be centered at the points of administrative authority. This requires provision for staff aid on matters of field administration; in organizations like OPA which delegated operations in considerable measure, this appears to be the necessary method of giving proper emphasis to field problems. Third, there is the concept of integration at the field office. Where the system of common services has been extended to such a degree that program effectiveness must depend upon coordination between units carrying primary responsibility and other units, then a similar degree of integration must be provided at the field office. This only means that it will often be necessary to combine the system of multiple communication and check with an overriding integration through the main line of administrative control. Though it seems possible in retrospect thus to rationalize the development of OPA's field administration, it may again be noted that some features of the system were established only after considerable delay, and that rival tendencies in administrative behavior were sometimes stronger than the administrative plan.

# 5. Field Responsibility

Except for the Northwest Solid Fuels Branch and the wide discretionary authority vested by special orders in regional administrators in cases of emergency (e. g., floods), the field offices were not delegated authority to determine, alter, or dispense with the substan-

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tive content of regulations. The rules for rationing were uniform for the Nation, save for some exceptions provided in national orders. On the other hand, the application of the rules through millions of mathematical computations and adjudications was vested almost entirely in local boards and field offices. Moreover, responsibilities were placed in the field for trade and community education, enforcement, handling of trade adjustments of various types, and for routine operations of great magnitude. As a result—and this was unavoidable in Nation-wide rationing, the success of the program depended upon the quality of performance in boards and field offices.

In such cases unity of purpose, common understanding, and a habit of adherence to prescribed methods and standards of performance must be an objective of the central organization. Communications and control are the complementary factors in achievement of this

objective.

In OPA there was some strain on the system of communications in the mechanical difficulties of getting information quickly to the centers of operation. There were also difficulties in providing for the full sharing of information necessary to maintain understanding and confidence among levels of offices. On the other hand, a strong and continuing effort was made in most units of operation to solve the problem of interoffice communications. Except for the quick release, and for incompleteness in the field relations of the Food Rationing Division, a reasonably satisfactory system of field communications was developed.

On the other hand, the tone of requirement was weak, there was extreme reluctance to use the ultimate weapon of discipline, and the managerial techniques for control were often inadequate. Consequently, there was much local option on methods, some tendency to leave undone the tasks which were not pressing or were not on the "must" list, and wide variations in field performance of particular tasks.

### 6. A Final Comment

Many strands must be woven to form an administrative fabric that will not tear: Political considerations, folklore, individual justice, routine, drive, vision, patience, and persistence; sound planning, industry cooperation, public acceptance, workable techniques of application.

What evolves is a behavior pattern. Standing alone, a cold analysis of the vital human experience imbedded in the pattern is unfair, or at least incomplete. The full appreciation of the quality of the public service must take account of the heroics of the undertaking. There was adventure, zeal, and sacrifice in the field administration of war-

time rationing. The quality of the system lay, to a large extent, in the spirit of the men and women who did the jobs, and such a spirit may compensate for many an administrative weakness. In the broadest sense, the morale of the staff in rationing was a reflection of the latent human qualities which can be enlisted in an emergency program.

An administrative job different from any other ever done in this country was completed with a sufficient measure of success—and this in spite of the demands of time, magnitude, and complexity. If it should ever be necessary to ration again, some improvements in technique of field application may well be made; but it is doubtful whether a stronger spirit of sustained, resourceful, and willing endeavor could be created.

# APPENDIX A

# The Northwest Solid Fuels Branch

No discussion of the field administration of rationing would be complete without mention of the unique arrangements embodied in the Northwest Solid Fuels Branch. The Branch, located at Seattle. Wash., differed from other OPA field units. It performed functions similar to those of the branches in Washington and was actually a part of the national organization located away from Washington because its problems were peculiar to a restricted area.

The Branch planned and issued two rationing orders: Ration Order 14 in February 1943, which provided for the registration of all firewood dealers in the northwest and the filing of monthly reports of their transactions; and Ration Order 14A, on September 18, 1943, which provided for consumer rationing of coal and firewood in Washington,

Oregon, and the 10 northern counties of Idaho.

The Branch's functions were broad. Among other things, it came to have important powers over supply and distribution, especially in relation to wood fuel. In exercising these it became involved in such tasks as the facilitation of rail movements and allocation of trucks to dealers. It had a strong influence on the development of the wood fuel price program in the northwest, and operated for 2 years a subsidy program designed to move firewood from surplus producing to shortage consuming areas. \$500,000 was made available for the first year, but nearly four-fifths of it was unobligated at the end of the

Administrative arrangements were unique as a result of the special nature of the project. Although organizationally a part of the Fuel Rationing Division, and later of the Fuel and Automotive Division, it was substantially independent of Washington direction. It conducted direct negotiations with Canadian officials on some matters of firewood distribution and participated in a northwest interagency fuel committee. The program operated by the Branch was also unique in that local boards had not part in it.

<sup>&</sup>lt;sup>1</sup>For a complete history of the Northwest Solid Fuels Branch, see unpublished manuscript by James J. Miksak, "Solid Fuels Rationing in the Pacific Northwest," OPA Bibliography, 1940-1947, item 10dd3.

The Branch offers an example of autonomous regional administration. In policy and operations it was limited in any real measure only by its delegation and the necessity for coordination with other governmental units; that coordination was achieved largely through its own direct action.

### APPENDIX B

# Distribution of Materials<sup>1</sup>

Since the institution and operation of a rationing system depended on the timely placing of application forms and ration currency in the hands of the many millions of consumers and trade users of rationed commodities, scattered throughout the country, the problem of distributing pieces of paper through bulk shipment and reshipment of smaller quantities was unprecedented in its magnitude. Since the users of the paper were dispersed, the task of distributing the paper was predominantly a field task.

Distribution problems proved to be one of the sore spots in OPA's experience. Failures to get currency and application forms to the places where these were needed at the proper time and in the proper amounts was one of the serious handicaps in program administration and at times seriously threatened the collapse of particular programs in some areas.

An example of the consequences to the rationing program of distribution failures is found in this report, made in December 1942:

It's the coolie of OPA operations—"distribution"—trying to sprint with several millions of pounds of paper on its back.

And when it stumbles, it causes OPA more grief in a shorter span of time than anything else.

So bitterly true is this that the recent failure of forms to arrive on time, in the fuel-oil rationing program, stimulated one New Englander to say: "I wouldn't pay \$2.75 to have dinner with Leon Henderson. But \* \* \* I'd pay \$50, to see him hanged in the public square." This was the chairman of a local board who had seen all the schools closed down, the teachers waiting to register, and no forms arrive for 4 days! And perhaps no one who hasn't been in the field in the past week can appreciate what a jolt to the morale of the entire OPA organization was the failure of distribution in the national mileage rationing program, with key forms not arriving, and no one knowing when they would arrive, with other forms piling in with no advance notice, with all kinds of currency processing and improvisation of forms in the field.

The rubber footwear and typewriter programs were postponed because of the lack of time to complete the printing and distribution. In other cases where a program had been announced and it appeared

¹This appendix has been prepared with the aid of John D. Moseley, administrative services officer in region V and later director of the Office of Administrative Service in the national office.

that forms would not be ready, there was no change in effective date of the program but merely a disregard of the fact that the program would not be fully effective because of the lack of materials.

The size and rush of the distribution job when the full OPA program had developed is shown by the following summary of the total number of copies of forms, booklets, etc., ordered by departments during the period November 1, 1942, through November 30, 1943: <sup>2</sup>

Price		42, 350,000
Rationing:		
Rubber footwear	14, 653, 000	
Other footwear	35, 037, 000	
Fuel oil	533, 616, 000	
Gasoline	1, 639, 881, 000	
Tires	148, 639, 000	
Food	1, 582, 915, 000	
Other rationing	886, 918, 000	
	4	, 841, 659, 000
Rent		50, 135, 000
Information		245, 328, 000
Federal Register preprints (regulations)_		130, 615, 000
Miscellaneous		151, 696, 000
Total	15	461 783 000

<sup>&</sup>lt;sup>1</sup> During the period July 1, 1942, through June 30, 1943, the total consumption of paper used in printing OPA publications amounted to 44,650,693 pounds, the equivalent of 1,116 loaded freight cars.

The first ration book, distributed in the spring of 1942, was printed in a total of 190 million copies and shipped to county clerks. Reserves were maintained at the State rationing administrator's office and maldistribution corrected by shifting books from one location to another, usually by the State police.

The next big distribution job was for gasoline rationing. The plan called for handling of distribution by Central Administrative Services, a separate Government agency. CAS established regional warehouses and distribution procedures, and OPA placed representatives at the warehouses. The original shipments were made from the printer to the local board and the reserves were located in the warehouses.

It was concluded that distribution should be brought closer to program and operating responsibilities. As a result, and after many surveys of the problem, regional distribution centers, under control of OPA regional personnel, were started in regional office cities and in Kansas City, Mo., in December 1942.

<sup>&</sup>lt;sup>2</sup>A copy is interpreted as one form, one poster, one booklet, or one sheet of coupons issued as a unit. During this period also there were printed approximately 500,000,000 strip coupons. This figure is included in the number of copies listed under gasoline.

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Before the centers were effective going concerns, the distribution of War Book II (February 1943) had begun. This was a print of 153,-750,000 with all the accompanying forms. The application form for this book was printed in the newspapers and consumers were instructed to use these copies in applying for the book. OPA was to print only a small quantity of application forms for those who arrived without the application. The method had two serious defects. So small a number used the newspaper form that applications had to be printed on an emergency basis all over the country. In addition, the filing job was more difficult with newspaper forms. This book also was shipped to the boards, with reserves going to the regional distribution centers and a small supply to the district offices.

Book III was issued in the summer months when no school-house issuance seemed feasible. One hundred and fifty million copies were printed. Mailing centers were set up and volunteers enlisted to mail the books on the basis of a post-card application for a family unit, application cards being distributed by the Post Office Department. Centralized mailing diminished the shipping problem, made safeguarding easy, and seemed to provide a basis for better controlled operations. The operation was, nevertheless, very difficult because of the tremendous number of volunteers required in those few cities where mailing centers were located. The field offices in charge of the mailing centers had to devise special arrangements—as, for example, mailing by inmates of the California State penitentiaries—to complete the mailing.

It should not be concluded that it is not possible to arrange for a satisfactory mailing on application of consumers. Such an operation would require careful planning to avoid overconcentration of work at a limited number of mailing centers, including consideration of the maximum possibilities for use of mechanical equipment.

During October 1943 Ration Book IV was issued to take the place of Book II. One hundred and fifty-five million copies were ordered. This time the books were shipped from the printer to regional distribution centers for subsequent issuance through schoolhouse sites. This threw the responsibility for allocation of supplies closer to the boards and resulted in a better controlled schoolhouse distribution, both from the standpoint of accountability for currency and of fewer emergencies resulting from maldistribution.

Another problem was the distribution of point charts. The point charts were first mailed in bulk quantities to the post offices where retailers were to pick up the copies for posting. The pick-up system was found to be unsatisfactory, and it was decided to establish a national food retailers mailing list. Local boards transmitted their lists of retailer registrants to the Inventory and Control Unit in New

York which in turn logged in the receipts, cut stencils, filed the stencils, and remailed the original data to the boards. By August 1943 over 500,000 stencils had been cut, inked, and filed; and immediately there began the decentralized printing of point charts in five places throughout the country to which the Inventory and Control Unit had sent "Dick Mailers." The Government Printing Office proofs were sent to the contract printers, who printed and mailed the charts to individual stores through the use of the "Dick Mailer." This method was used until the regional distribution centers were prepared to handle the direct mailing of these charts. In December 1944 the stencils were sent to the distribution centers. From that time on they were printed in the regional office cities and distributed by the regional distribution centers.

In addition to handling the special distribution jobs and distributing the point charts, the distribution centers stored and distributed the various types of currency, forms, and other duplicated materials.

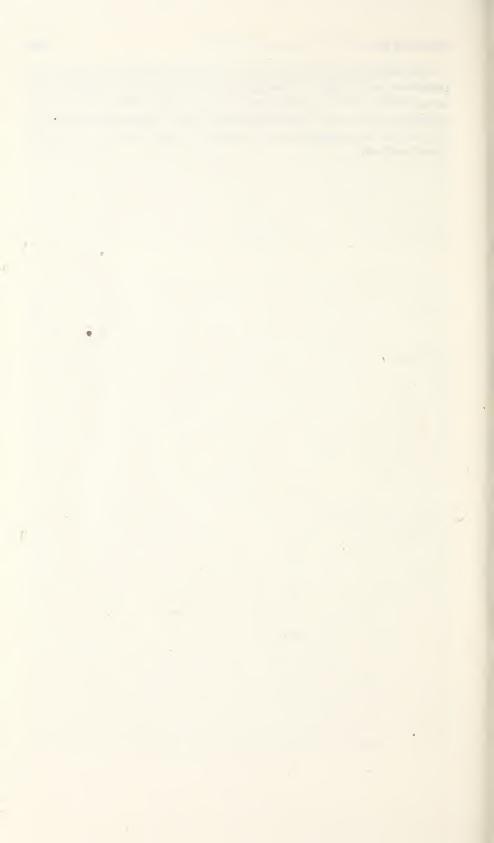
They became the key units in distribution of bulk supplies.

For their successful operation, a number of steps had to be taken. Warehouse space had to be obtained and work procedures developed. Modern safeguarding arrangements had to be employed. More difficult was the problem of getting the correct amount to each board, district office, and mailing center. With respect to the use of currency at the local boards, this problem proved particularly difficult. At first the boards were allowed to order the amount of currency they thought they might need. Because of recurring thefts, however, rules had to be instituted, limiting the local boards to 15 days' supply of any type of currency—later changed to 30 days.

For the sake of the safety of the currency, these rules were absolutely necessary. It should be pointed out, however, that they never worked with general smoothness throughout the country. It was difficult to get many boards to return the excess currency they had on hand and even more difficult to get them to refrain from ordering excess supply. At the regional office, a good deal of the time of the rationing currency officer and of the regional distribution analyst, whose job was set up to cope with this problem, was taken up in screening orders for currency from local boards. And in those boards that did adhere strictly to the rule, difficulties arose from time to time, because they found their supply of a given form exhausted. Working with supplies for as short a period as 15 days, this was bound to occur even under the best of circumstances. Abnormal situations also developed from time to time, as when an extremely heavy rain or flood developed in a rural area with a resulting large increase in the demand for rubber-boot certificates, which the board had been in no position to anticipate.

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Distribution crises, particularly at the local board level, became less numerous as the life of the program extended, but they continued to occur with distressing frequency. While the difficult service task of distribution came to be handled with a fair degree of satisfaction, it would be an exaggeration to say that the problem was ever completely solved.



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